

of the treaty were limited in their advantages to those who are actually participants in the treaty and are not matters of general international law, or customary international law, as a result of the treaty. I think that this is a legal argument and an international political argument concerning which there will be more controversy in the years to come."

The next day, NDP foreign affairs critic Pauline Jewett asked the House of Commons for unanimous approval of a motion, "That this House express its grave disappointment and great concern that the President of the United States has refused to sign the United Nations Law of the Sea Treaty." In a press release the same day, Miss Jewett said that Canada should emphasize with "renewed vigour" Canada's concern about the future of the treaty and the fate of the world's oceans, "the common heritage of mankind." She called Mr. Reagan's refusal to sign the treaty harmful to North-South economic relations and damaging to the United Nations. "There are serious implications for Canada in fisheries, mining, maritime law, territory and sovereignty. A decade of careful negotiations and compromise have been discarded to serve the interests of US-based multinational corporations — Reaganomics goes international," she said.

Canada's disappointment with the US decision was expressed in a note delivered to the US embassy on July 14. An External Affairs press release the next day stated that, "The Note underlines the importance Canada attaches to consultations with the United States and other western countries on matters affecting our mutual economic, political and security interests. The fact that the USA announcement was made without adequate consultations is a matter of further concern to Canada."

Siberian Pipeline

A US decision to expand a previously-imposed embargo on supplies and technology for the construction of the USSR pipeline to deliver Siberian natural gas to western Europe drew international criticism in July. The ban was extended to include construction supplies from foreign subsidiaries of US companies and from foreign companies manufacturing under US licences. Plants in Europe had contracts for some pipeline supplies. Canada joined European nations July 7 in strongly protesting the extension, calling it "an unacceptable infringement" of national sovereignty (*Globe and Mail*, July 10).

Prime Minister Trudeau told a news conference July 9 that European countries which had complained about Canada's Foreign Investment Review Agency now might think Canadians had been right to protect themselves. "Now perhaps they will understand a bit better that a country which is economically dominated, as Canada is, has a right to attenuate the effects of that economic domination" (*The Citizen*, July 10). He also said that Canada's position against the US policy was more a question of principle than of direct interest.

The *Toronto Star* reported July 12 that the "extension poses a real problem for the pipeline, which by 1985 would be delivering natural gas to European nations including West Germany, France, Italy and Belgium." A key component for the pipeline — rotor blades for giant turbines — are only manufactured in Europe under licence from General Electric, a US firm, the *Star* said. The US had been trying to prevent pipeline construction, which it believed would

make Western Europe too dependent on Soviet-supplied energy.

The embargo extension drew a chorus of strongly-worded editorials in Canadian newspapers. It was seen as a coercive move designed to place US cold war interests ahead of the economic sovereignty and energy interests of other countries (*The Gazette*, July 9; *Toronto Star*, July 12; *The Citizen*, July 14). One editorial stated that, "Ottawa has acted properly in telling the US that this is a price no nation should have to pay" (*Toronto Star*, July 12).

On July 23, Mr. Trudeau again expressed his concern, telling a press conference that the US attempt to block the pipeline "may create a profound dissension within the Atlantic alliance."

Trade Relations

US trade relations with Canada were the subject of a news conference given by US trade official William Brock June 15. Washington-based Canadian journalists attended the session which followed an "encouraging" meeting between Mr. Brock and External Affairs Minister Mark MacGuigan June 11. The US had been critical of Canadian trade and investment policies, such as the Foreign Investment Review Agency (FIRA), and the granting of export credits by Canada to US purchasers. Congress had been considering retaliating with US protectionist measures, called trade reciprocity laws (*The Citizen*, June 16).

Mr. Brock told reporters that such measures would represent an "exercise in irrationality." Instead, he said US interest rates were "incredibly, inexcusably and tragically high" and had brought on a political temptation to "find somebody to blame" (*The Citizen*, June 16). He explained that the global economic recession had encouraged such protectionism around the world and was posing a serious threat to free trade. Mr. Brock said that the Reagan administration would resist Congressional pressure to impose trade restrictions, preferring to resolve differences through close relations. He also told reporters that he had "blown his cool" a month earlier when he said that Canada was acting like a developing country that might need some gunboat diplomacy to straighten it out (*The Citizen*, June 16; *Globe and Mail*, June 16). *The Citizen* reported that Mr. Brock appeared to be "playing down the degree of US unhappiness with some Canadian economic policies." Canada and the US have a solid relationship, interspersed with "the kind of tiffs that occur between brothers that love each other," Mr. Brock told the press conference.

A US study on Canada-US trade relations, published July 14, concluded that conflicting policies were likely to provoke more disputes between the two countries. According to a *Globe and Mail* article July 14, the National Planning Association predicted that Canadian policies directed at strengthening its industrial development will increasingly clash with US policies to rely on market forces.

Bombardier Subway Contract

A bid from Bombardier Inc. of Montreal to supply New York City with 825 subway cars was challenged by US interests in June and July. The Canadian Export Development Corporation (EDC) had promised a bargain-rate loan to New York's Metropolitan Transport Authority (MTA) as part of the one billion dollar package. After it was re-