

United States Government, were for property damage allegedly attributable in whole or in part to the construction by the Government of Canada of a small navigational improvement in the international section of the St. Lawrence River known as Gut Dam. This dam was constructed by Canada in 1903-04 following arrangements between the United States and Canadian Governments. The claims arose out of high water-levels which prevailed on Lake Ontario in 1951-52. Gut Dam itself was removed in 1963 as part of the St. Lawrence Seaway construction programme.

The Tribunal held its third session as scheduled with meetings in January in Washington and in February at its headquarters in Ottawa. At these hearings, the Tribunal singled out for priority treatment an important preliminary question: whether the agreement of 1903-04 under which Gut Dam was constructed extended to all United States citizens suffering damage or was restricted (as argued by the Canadian Government) to the owners of Les Galops Island and to the period immediately following the construction of the dam. The Tribunal decided against Canada on this issue on February 12, 1968, concluding that the agreement, whatever the obligations therein, extended to all United States citizens and was not limited as to time.

Following the conclusion of the meeting in February 1968, discussions between the parties led to an agreement to settle the claims by a lump-sum payment by the Government of Canada to the Government of the United States of \$350,000 (U.S.) on the understanding that such payment be made without prejudice to the legal or factual positions maintained by the two governments and without precedential effect. The 230 American claims filed with the Tribunal totalled approximately \$650,000 (U.S.) which, together with a further amount of some \$650,000 (U.S.) (representing interest at the rate of 6 per cent per annum since the date of the damage in 1951-52), added up to a total claim of some \$1.3 million (U.S.).

The Tribunal held its last meeting on September 27, 1968, when the Canadian and U.S. representatives notified it of the settlement which had been reached by the two governments. The Chairman of the Tribunal, Dr. Lambertus Erades, First Vice-President of the Rotterdam District Court of the Netherlands, took note of this and confirmed that settlement of the dispute terminated the functions of the Tribunal.

Co-Ordination Division

This Division, which was formed in 1967, deals with external affairs questions of particular interest to the provinces. Broadly speaking, it is the Co-ordination Division's responsibility to ensure that there is effective liaison among divisions of the Department on all matters with federal-provincial implications and to be in touch with other federal departments and agencies as required and, on a regular basis, with provincial authorities.

In fulfilling this role, the Division assists, in a functional way, in the formation of Canadian delegations to international organizations when these delegations include representatives from the provinces. The Division also participates in preparations for negotiation of multilateral treaties requiring implementation by the provinces (e.g., the Covenants of