

reaction in the United States, which would seriously weaken our claims, even if it were decided not to press them at this time. . . .

4. Bearing in mind, therefore, the probable repercussions from a public statement by Canada concerning our claims, I would urge again that the whole matter be reviewed in the light of the United States comments, and I recommend that you authorize us to take the following steps:

(a) to instruct the Embassy in Washington to inform the United States that their reaction will be considered carefully by the Canadian Government before any further steps are taken;

(b) to instruct our Embassy in Washington to stress in discussing the matter with United States officials that action contemplated by the Canadian Government will not disregard United States interests, and that it is proposed to negotiate with the United States with a view to reaching mutually agreed arrangements;

(c) to instruct our Embassy in Washington to say, in respect to the specific questions raised in paragraph 8 of the attached telegram, if you agree, that there is no intention to take action at present extending Canada's territorial sea or fishing zone, but that it is hoped that these matters might be settled by an international conference along the lines of the Canada-United States proposal at Geneva in 1960, and that the question of specific base lines can be discussed in the proposed negotiations.

5. If the Government is prepared to review this matter, and in the event that it should become necessary to make a public statement, the Embassy in Washington should be instructed to request prior United States agreement to say that the two Governments are discussing the whole range of problems in this field with a view to developing mutually satisfactory arrangements. This would be consistent with your last statement on this subject in the House of Commons, and it might avoid divergent and premature public positions being taken.

M. C[ADIEUX]  
for Under-Secretary of State  
for External Affairs

751.

PCO

*Extrait des conclusions du Cabinet*

*Extract from Cabinet Conclusions*

SECRET

[Ottawa], March 4, 1963

*Present*

The Minister of Justice and Acting Prime Minister (Mr. Fleming),  
The Minister of Transport (Mr. Balcer),  
The Minister of Finance (Mr. Nowlan),  
The Postmaster General (Mrs. Fairclough),  
The Minister of National Health and Welfare (Mr. Monteith),  
The Secretary of State (Mr. Halpenny),  
The Minister of Mines and Technical Surveys (Mr. Martineau),  
The Minister of Citizenship and Immigration (Mr. Bell),  
The Minister of Trade and Commerce (Senator McCutcheon),  
The Secretary to the Cabinet (Mr. Bryce),  
The Assistant Secretary to the Cabinet (Dr. Hodgson).

\*\*\*