agreed not to use subsidies to make sales in the traditional markets of the other. External Affairs Minister Joe Clark stated in the House of Commons that "this action by the United States, while it does not breach the treaty, is not consistent with the spirit of the agreement." (*Hansard*, October 21).

The Case of Michael Deaver

The perjury charge against former Reagan aide Michael Deaver triggered a diplomatic protest by Canada in early October, which in the words of the State Department's Legal Advisor, Abraham Sofaer, caused "considerable embarrassment to both the governments of the United States and Canada" (*Ottawa Citizen*, October 14). The incident involved special prosecutor Whitney North Seymour's attempt to obtain testimony from Canadian ambassador to the US, Allan Gotlieb. In a letter to a lawyer for the Canadian embassy, Mr. Seymour warned that the "decision of the Government of Canada not to permit even limited testimony by Ambassador Gotlieb has forced us to place much greater emphasis at trial on the unlawful acts engaged in by Deaver when he was working for the Canadian Government." (External Affairs *Communiqué*, October 13).

The Canadian embassy responded by sending a letter of protest to the State Department on October 9, in which it drew attention to Mr. Seymour's "attempted intimidation of the Government of a sovereign state exercising its sovereign rights under international law," and to the fact that "the perjury charges that have been laid against Mr. Deaver...do not relate to his activities under that contract [with the Government of Canada] and in no way implicate the Government of Canada" (External Affairs *Communiqué*, October 13).

Mr. Seymour had attempted once before to obtain testimony from Ambassador and Mrs. Gotlieb regarding two indictments against Mr. Deaver in connection with his activities on behalf of Canada and the timing of his employment as an acid rain lobbyist. Mr. Deaver had been charged with lying about his participation in White House discussions on the appointment of a special envoy to Canada on the acid rain issue (*Ottawa Citizen*, October 16).

The *Ottawa Citizen* of October 14 noted that under international law, diplomatic immunity must be waived for a diplomat to testify before a foreign court. In this case, however, Assistant Attorney General Richard Willard said that Mr. Seymour had attempted to coerce Canada into waiving diplomatic immunity. "Canada should not now be subject to what reasonably can be perceived as an attempt to coerce the relinquishment of its rights," Mr. Willard said. As a result of Canada's protest, State Department lawyers asked a district court judge to bar any contacts between the special prosecutor and Ambassador Gotlieb unless they were to be conducted through diplomatic channels (*Globe and Mail*, October 16).

Great Lakes Agreement

On October 16, Canadian and American negotiators reached an agreement on a Great Lakes cleanup strategy (See "International Canada" for August/September) which called for deadlines in the elimination of toxic chemicals and contained a limited agreement on the control of trans-boundary air pollution.

The agreement did not cover acid rain, but was hailed as a major improvement in Canada-United States environmental relations. This new agreement would include such measures as the tracking of all pollution sources, the cleanup of the worst polluted areas, and the identification of new trouble spots in the world's largest reservoir of fresh water. The new agreement reinforced the 1978 Great Lakes Water Quality Agreement which had called for, but not achieved, the elimination of the discharge of toxic substances into the lakes, reported the *Globe and Mail* On October 10.

The new agreement was signed on November 18, following a 2-day conference on the state of the Great Lakes, organized by the International Joint Commission. Major studies had identified the growing threat of Great Lakes pollution (*Globe and Mail*, November 18). The agreement therefore instituted pollution control programs involving sewer pipes, farm and home pesticides, polluted underground water, leaking dumps and storage tanks, contaminated lake and river bottoms, toxic chemical fall-out and polluted run-offs from fields and sewers. The agreement also bound the governments to meet twice a year and to report regularly to the public, thus establishing new accountability measures (*Globe and Mail*, November 19).

Water Diversion Projects

On November 5, Environment Minister Tom McMillan declared in the Commons that large-scale water diversion projects to the United States would not be permitted under any circumstances or at any price (*Hansard*, November 5).

This ban would cover such projects as the $100 billion "Grand Canal" project which would create an immense canal from James Bay to the Great Lakes to divert water southward. This scheme had been endorsed by prominent free trade supporters, including Quebec Premier Robert Bourassa and Canada's free trade negotiator Simon Reisman (*Toronto Star*, October 21 and 22).

US Embargo of Fish from Atlantic Canada

International Trade Minister Pat Carney and Fisheries and Oceans Minister Tom Siddon announced that Canada had registered a strong diplomatic protest with the United States over import embargo on certain types of fresh whole fish from Atlantic Canada which did not meet minimum US size requirements. "The government is awaiting a response from the US administration and examining options available to Canada under the GATT to ensure that the interests of the Atlantic fishing industry are protected" said Ms. Carney. Mr. Siddon added that the government "is strongly opposed to the new US ban and to its possible extension to fresh fillets. Such restrictions are unwarranted, and could affect the value of a sizeable portion of Canada's fish exports to the US worth approximately