MEMORANDUM FOR MR. KISSINGER

FROM: Helmut Sonnenfeldt

SUBJECT: Canada Sets Fisheries Zones

The attached State memorandum (Tab A) informs you of last week's Canadian government announcement establishing fisheries closing lines across the Gulf of St. Lawrence, the Bay of Fundy, and Queen Charlotte Sound -- all international waters. These actions, which will become effective in two months, are based on a 1964 enabling act as amended last June. (You may recall the flurry over this and other aspects of Canadian Arctic legislation last spring, including Prime Minister Trudeau's telephone call to the President.) While not in itself unexpected, the timing of the Canadian announcement -- just one day after agreement in the UN to convene a Law of the Sea Conference in 1973 -- has caused a stir. The Canadians supported the UN initiative.

Because of an existing bilateral agreement on reciprocal fishing rights, U.S. fishing privileges will not be affected by the new Canadian zones. But the timing and the principle of the matter does concern us. We have opposed all such unilateral actions, which are contrary to international law, and have supported a Law of the Sea conference to deal with fisheries and related issues on a multilateral basis. It is rumored that the Canadians are contemplating applying anti-pollution regulations to these fishing zones as a next step. If it eventuates, such a move could seriously harm our interests by imposing new controls on U.S. vessels using the St. Lawrence Seaway, for example.

Last Friday the Department issued a press release (Tab B), expressing regrets over the Canadian decision, and a note of protest was delivered the same day to the Canadian government by Embassy Ottawa. There seems to be little else we can do at the moment. An interagency committee will be discussing the matter.