The Grand Banks

The Grand Banks are one of the world's largest and richest resource areas, renowned for both its valuable fish stocks and petroleum reserves. Situated off the southeast coast of the Island, the Grand Banks are actually a series of raised submarine plateaus with a water depth ranging between 36.5 and 185 metres. The relative shallowness of the water allows extensive marine animal and plant life to flourish on the bottom. As well, the warm waters of the Gulf Stream pass over the southern portion of the Banks in winter but cover almost all of the Grand Banks in summer.

The most prolific fish species on the Grand Banks has traditionally been cod but there are also flounder, haddock, ocean perch and hundreds of other species. Portuguese and Basques fishermen fished the Grand Banks as early as the 1400s but it was not until after John Cabot's voyage to the New World in 1497 that knowledge of the Banks and their valuable fishing resources spread throughout Europe. The Banks have been continuously fished since that time by fleets from England, France, Spain, Portugal and later Newfoundland, Canada and the United States.

The number of nations participating in the Grand Banks fishery continued to rise through the 1950s and 1960s, and it soon became evident that more stringent fisheries conservation measures were necessary. By 1977, Canada had declared a 200-mile exclusive economic zone and imposed strict controls on fishing inside this zone. About 10 percent of the Grand Banks, known as the Nose and Tail, are beyond Canada's 200-mile limit. In 1979 the conservation of the northwest Atlantic fish stocks outside the 200-mile limit became the responsibility of The Northwest Atlantic Fisheries Organization (NAFO).

Despite the conservation measures in place for fisheries on the Grand Banks, several species have declined drastically in recent years. By 1995, all major cod and flounder fisheries on the Grand Banks were closed and many other fish species such as turbot and ocean perch have had their catch levels sharply restricted. These fisheries are slowly recovering due to a concerted effort by both Canada and other nations to enforce existing conservation regulations on Grand Banks fish stocks. As well, an increased abundance of species such as crab, clams and scallops has led to the development of these fisheries on the Grand Banks in the past five years.

Since 1966 there has also been extensive exploration of the petroleum reserves which are located beneath the Grand Banks. The Hibernia discovery in 1979 was the first significant oil find, followed by Hebron in 1981 and Terra Nova and Whiterose in 1984. Work to develop the Hibernia oil site began in 1990 and oil production is expected to commence in late 1997 or early 1998.
The France-Canada Maritime Boundary Dispute

During the 1980s, a dispute developed between Canada and France over the precise definition of the maritime boundary between their respective territories in the region. This dispute was generated in part by overlapping claims to the sea bottom and the mineral resources, such as oil, thought to found on or under the sea-floor.

Beginning in 1966, both countries began issuing permits to explore for oil and gas on and around the St. Pierre Bank. In 1967 France and Canada agreed to a moratorium on exploration until ownership of the resources was resolved, but continuing arguments were generated by Canadian and French efforts to claim ever-expanding exclusive fishing zones. Canada declared a 12 nautical mile (n mi) territorial limit late in 1970, and France followed suit in 1971. This meant that their territorial sea claims overlapped in the Burin Peninsula area and impinged upon fishing rights defined by the several treaties signed between 1713 and 1904.

Consequently, in 1972 an agreement was reached between the two countries to settle these claims and to restructure their treaty arrangements over fishing. The agreement not only defined the boundary between the French islands and the Newfoundland coast but also made a distinction between the access rights of the metropolitan French fishing fleet and those of the fishermen of St. Pierre and Miquelon. However, in 1977 Canada claimed a 200 n mi Exclusive Fishing Zone (EFZ), while France declared a 200 n mi Exclusive Economic Zone (EEZ), the difference in the two being that the EEZ also encompassed the mineral resources issue. Although Canada's position was that St. Pierre and Miquelon should only be entitled to a 12 n mi offshore zone, the 1972 agreement was automatically extended to cover French access to the much-expanded Canadian jurisdictional zone, subject to certain conditions, until a maritime boundary agreement could be reached.

The principal overlap was in the area south of the French islands, extending to the St. Pierre Bank, rich in fish and with a potential as well for oil. Then, in the 1980s, the French catch began to increase despite Canadian efforts to assign smaller quotas to France in the face of dwindling stocks. After much friction and wrangling between the two countries, which included seizures of fishing vessels, recalled ambassadors, and violations of existing agreements, Canada and France reached agreement in 1988 to adjudicate the boundary. The quarter-century dispute was resolved in 1992 by an international court of arbitration. According to the board's decision, France received an economic zone within a 24-mile limit off St. Pierre and Miquelon, as well as a 10-.5 mile-wide corridor running south 200 miles towards international waters. The resulting economic zone, measuring only 3,607 square nautical miles, was much smaller than France had claimed, and providing accordingly access to much less fish. According to the arbitration decision, France would have to negotiate with Canada for access to fish outside its zone.
Canada's territorial claim to the continental shelf beyond the current 200-mile limit in the Atlantic Ocean