



news release

Date **February 19, 1991**

No. 38

For release

NEW U.S. "MACK AMENDMENT" WILL BE BLOCKED

The Secretary of State for External Affairs, the Right Honourable Joe Clark and the Attorney General of Canada, the Honourable Kim Campbell, said today that firm action will be taken to counteract a renewed attempt by the U.S. Congress to restrict trade with Cuba by U.S.-owned subsidiaries resident in Canada.

A measure was introduced in the U.S. Senate which, if passed into law, would prevent the issuance of any licences for trade with Cuba and therefore make it unlawful for any U.S. subsidiary abroad to trade with Cuba even in goods of local origin. This measure is part of the *Export Administration Act Amendments of 1991*.

In October 1990, the U.S. Congress passed a bill with an identical provision, referred to as the "Mack Amendment." Its application in Canada was blocked immediately by an order of the Attorney General of Canada under the *Foreign Extraterritorial Measures Act (FEMA)*. Subsequent to this action and strong diplomatic representations by Canada, President Bush vetoed the bill and the Mack Amendment did not become law.

Ms. Campbell said that she would not hesitate to block the application of the new legislation to Canada through a fresh order. "Last year, with the concurrence of the Secretary of State for External Affairs, I issued an order respecting an identical provision in U.S. legislation to protect Canada's sovereignty. If the U.S. Congress passes this law, I shall take action again for the same reasons."