

companies consider that sanction. Once the boycott legislation is passed, there will be a mandatory reporting mechanism. This is the policy, but with the clear understanding - as has always been the case - that we agree on what we want to achieve and we agree that we will do whatever fine-tuning is required in the light of our experience in implementing the policy.

I think that the Canadian policy on international economic boycotts stands as a good example for other countries. Our policy is not a hortatory one aimed specifically at any country or group of countries. It states what Canada considers to be unacceptable international practice, no matter what trading relationships are involved. I don't think any country would reasonably object to the statement of policy which is, after all, a question of Canada's sovereign right to protect the interests of its citizens. And I think that the legislation on the boycott - covering as it does the question of reporting of boycott requests - benefits all concerned with the Arab boycott of Israel. That boycott has been a subject of great confusion; the legislation will show what it is, what requests are made and what are not. We have taken a reasonable stand and are bringing clarity to the issue. In the longer run, we can hope that the evident benefits of economic cooperation between