

*Foreign Extraterritorial Measures Act*

• (1200)

[English]

**Mr. Crosbie:** Mr. Chairman, there are no important changes of principle in this Bill, as I said when I spoke on the Bill. The difference is that we are asking the House to pass the Bill while the last administration never got around to doing that over a period of four or five years. There are no important changes in the Bill.

[Translation]

**Mr. Lapierre:** Mr. Chairman, I would like first to comment on the suggestion made by the Minister of Justice (Mr. Crosbie) that the previous Government lacked courage. I would remind him that the American extraterritorial legislation only came into force a few weeks ago. And I do not see why one should hurry before . . . I believe the previous Government introduced the bill intending to negotiate an agreement with the American government and ask them to withdraw the offending provisions in their own legislation, their own omnibus bill.

Besides, it is my view that the Minister of Justice (Mr. Crosbie) should entertain a better historical perspective of the debate on extraterritorial involvement, rather than bragging about having solved a major issue single-handed. What he did was to recognize that the Americans could still have extraterritorial measures written in their statute books. And instead of enjoying their honeymoon and their increasing friendship with the Americans, and instead of asking them to withdraw such unacceptable measures, he sulks and says: Well, we will have in our own legislation the theoretical means to oppose the tendency of the Americans to meddle in the affairs of their Canadian subsidiaries.

But in fact, Mr. Chairman—and this I would like to hear from the Minister of Justice (Mr. Crosbie)—this is all very well between lawyers, and they could always say that it is in the law books. But in actual practice, even if the Canadian Minister of Justice says: American courts have no jurisdiction over subsidiaries in Canada, there is no reason to comply despite what the American head office might say.

Mr. Chairman, you know very well that one day the head office will get to its little Canadian subsidiary if it does not comply. And in my view, the problem is a lot more serious than what is implied by the Minister of Justice. I think the problem will be of increasing relevance in the coming months and years, once the American legislation is implemented, and there will be judgments with extraterritorial findings, and the only answer the Minister of Justice will be in a position to offer will be that Bill.

But to be practical, Mr. Chairman, the Minister of Justice should have ensured that the United States will withdraw such a claim to extraterritorial action, rather than simply relying on that legislation. And I gather that the previous government had introduced the Bill to pave the way for negotiations. But when the American legislation was passed, our friends opposite

were happy instead of opposing the extraterritorial claims of the Americans.

I remember, Mr. Chairman, there were receptions at the Canadian Embassy in Washington, and there our representatives suggested they had achieved a great success. Well, if that had been such a success, we would have no need for this legislation, because the Americans would have been really pressured by their so-called friends opposite into withdrawing their extraterritorial claims. Why do they need laws in their books giving them the power to go sneaking abroad? And the response of the Minister of Justice (Mr. Crosbie) does not amount to very much under these circumstances. I do not understand. I hope his position involves more than that. I hope our Secretary of State for External Affairs (Mr. Clark), instead of consultations with the Minister of Justice, will have consultations with the American Secretary of State to ensure that Canada will never submit to the American extraterritorial claims.

Strictly speaking, this response is definitely not good enough in my opinion, and I would like to know what are the views of the Minister of Justice (Mr. Crosbie) on this. Is this his final response to the United States' extraterritorial claims, or is it strictly part of the negotiation, or has he already thrown in the towel?

[English]

**Mr. Crosbie:** Mr. Chairman, I really cannot see how these comments require an answer. At the moment the position is that the Government has no legal weapons with which to block attempts by foreign countries to pass laws or use the courts in ways that have an extraterritorial effect here in Canada.

As a result of the passage of this Bill, the Government will have means by which to do that. Furthermore, at the present time there are no immediate issues that require us to have these particular powers; therefore, this is a very good time for the legislation to be passed, when there is no current controversy under way. We will therefore be reay if one does arise.

In the meantime, as I said in my earlier remarks, negotiations are going on in connection with the mutual treaty between Canada and the United States so that we can more effectively exchange information and evidence in the criminal area. Constant discussions are under way so that the problems will not arise. I hope that we will not have these kinds of problems in the future. If we do, this Bill will provide us with the means to take action to ensure that the extraterritorial effects to which we are opposed cannot occur in Canada.

[Translation]

**Mr. Lapierre:** Mr. Chairman, the Minister of Justice (Mr. Crosbie) has not stated his position. Is it the Government's position at this point that it should let the sword of Damocles that hangs over the heads of all the American subsidiaries in Canada stand in the American statutes? Is the Canadian