

arise from the extraterritorial application of laws with efforts to emphasize the profound economic and political damage posed by the issue.

In some fields, extraterritorial authority is used by the United States as a means of applying economic leverage over American traders and investors abroad in pursuit of United States domestic or foreign policies. In this manner, Canadian corporate decision-making and planning are often determined on the basis of United States rather than Canadian laws and policies. In response to this continuing threat to Canada's ability to pursue its own economic policies, Bill C-41, the proposed Foreign Proceedings and Judgments Act, given first reading

in 1980 but withdrawn from Committee in 1982 in the wake of the Siberian pipeline episode, remained under active consideration.

In addition, extraterritoriality was reviewed at every bilateral meeting between the Secretary of State for External Affairs and the US Secretary of State during the year. At the OECD, Canada joined with the United Kingdom and other member countries concerned in calling for further study of the impact of conflicting legal requirements being imposed on multinational enterprises, in the context of preparations for the 1984 review of the 1976 Declaration and Guidelines on International Investment and Multinational Enterprises.