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CANADA ISSUES ORDER BLOCKING U.S. TRADE RESTRICTIONS

The Secretary of State for External Affairs, the Honourable Barbara McDougall, and the Minister of Justice and Attorney General of Canada, the Honourable Kim Campbell, announced today that an order has been issued to block an attempt by the U.S. Congress to restrict trade between Cuba and U.S.-owned subsidiaries based in Canada.

The order, issued by the Attorney General with Mrs. McDougall's concurrence under the Foreign Extraterritorial Measures Act (FEMA), will block compliance by affected companies in Canada.

"We have repeatedly told the U.S. Congress and Administration that we oppose any provision such as that in the National Defense Authorization Act. This action demonstrates our determination to block measures that infringe on Canadian sovereignty," said Mrs. McDougall.

Ms. Campbell said: "This order is intended to protect the primacy of Canadian trade law and policy. If left unchallenged, the measure passed by Congress on October 5, 1992 would be an unacceptable intrusion of U.S. law into Canada and could adversely affect significant Canadian interests in relation to international trade or commerce. Canadian companies will carry out business under the laws and regulations of Canada, not those of a foreign country."

Since 1963, Canada has rejected attempts by the United States to regulate trade with Cuba by Canada-based companies. Parliament passed FEMA in 1984 to counter the adverse effects of foreign countries attempting to apply their laws to Canada's international trade and commerce.