



news release

Date

October 31, 1990.

No. 249

For release

CANADA ISSUES ORDER BLOCKING U.S. "MACK AMENDMENT"

The Secretary of State for External Affairs, the Right Honourable Joe Clark and the Attorney General of Canada, the Honourable Kim Campbell today announced that an Order has been issued to block an attempt by the U.S. Congress to restrict trade with Cuba by U.S.-owned subsidiaries in Canada.

The Attorney General, with Mr. Clark's concurrence, has issued this Order under the Foreign Extraterritorial Measures Act (FEMA) to counter the "Mack Amendment" in the Export Act Amendments of 1990, recently passed by the U.S. Congress, and expected soon to be signed into law. This amendment prevents the issuance of any licenses for trade with Cuba and makes it unlawful for any U.S. subsidiary abroad to trade with Cuba, even in goods of local origin.

The Attorney General's FEMA order prohibits any corporation in Canada from complying with this U.S. measure to prevent trade between Canada and Cuba, and requires them to report to the AG any directives or instructions relating to the measure.

Ms. Campbell stated that, "This action demonstrates our determination to block measures that infringe Canadian sovereignty. It is the Government of Canada which makes the laws and policies that govern international trade and commerce by Canada-based companies."

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Mr. Clark said, "the Mack Amendment is clearly unacceptable. The implementation of this Amendment would most certainly have a negative impact on the trade which Canadian subsidiaries have built up with Cuba over the years. The U.S. leaves us no choice but to take this action."

The Canadian Embassy in Washington has made a strong protest to the U.S. Government concerning this extraterritorial measure.

Since 1963, Canada has rejected attempts by the United States to regulate trade by Canada-based companies with Cuba. Parliament passed FEMA in 1984 to provide a basis in law to counter the extraterritorial application of foreign laws in Canada. This is the first time a blocking order has been issued under the Act.

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