

March 4, 2008

Hon. Maxime Bernier
Minister of Foreign Affairs
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House of Commons
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Hon. Jim Prentice,
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Dear Ministers Bernier and Prentice:

On behalf of our 570,000 members, we write to express concern about the sale of Canadian credit card service provider, CUETS Financial Ltd., to the Bank of America. We also call on you to ensure that all Canadian Credit Union members can gain access to their credit card services in Cuba and other states where Canadian access to services may be restricted as a result of United States foreign policy decisions.

CUETS, now a subsidiary of MBNA Canada Bank, is the dominant MasterCard provider in Canada. With this corporate buyout, CUETS's Canadian credit card services are subject to U.S. laws that apply to its U.S. parent company. These laws include the U.S. government's almost 50-year-old sanctions regime against Cuba. This regime prohibits U.S. companies and their subsidiaries from providing financial or other services in Cuba.

Laws like the 1992 Cuban Democracy Act and the 1996 Helms-Burton Act, for example, are at odds with Canadian foreign policy. Further, the buyout represents an erosion of Canadian sovereignty, experienced in a very direct way by ordinary Canadians. Over 638,000 Canadians travel to Cuba annually and spend more than \$579 million.

Because of the CUETS buyout many of Canada's 5 million Credit Union members, some of them CUPE members, won't have access to credit card services while in Cuba. This is a clear example of the corporate hollowing out of Canadian businesses through foreign takeovers; particularly U.S. takeovers, and in effect an erosion of Canadian sovereignty.

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We urge you to act on the promise made in 2007 to introduce a 'national security test' for foreign takeovers that could prevent the further erosion of Canadian sovereignty. We further urge you to take diplomatic steps to ensure Credit Union member access to credit card services while Canadians are travelling to Cuba.

With the recent change of presidents in Cuba, we hope you will view this as an opportunity to play a diplomatic role in improving global trade relations for the Caribbean country rather than follow the dictates of the U.S. sanctions regime. Let us end any Canadian support for that blockade rather than giving the American Administration more encouragement to further ostracize Cuba and its people from world markets.

We await your reply with anticipation.

Yours truly,



Paul Moist
National President



Claude Généreux
National Secretary-Treasurer

cc: Ken Georgetti, President CLC
Alexa McDonough, NDP Critic for Peace, Advocacy & International Dev.
CUPE National Executive Board