

*Government Orders*

able designated consignees approved by the Canadian government. Sales to civilians will not be permitted.

Canada currently has defence production arrangements with 10 countries, of which Sweden is the only one not a member of NATO. An arrangement with Spain is under negotiation. Once the amendments are passed by Parliament, cabinet could include those countries on the automatic firearms country control list through a single Order in Council.

Proposals to include other countries on the list will be subject to an intense, case-by-case review to confirm that (a) the requirement for automatic firearms is legitimate and reasonable; (b) that defence co-operation with Canada will enhance regional co-operation and security; and (c) the country being considered for defence co-operation does not threaten regional or world security and does not maintain an excessive level of armaments.

Automatic firearms are military goods and are included in the Canadian export control list under item 2001. Each application to export automatic firearms to an approved country must therefore still be reviewed on a case-by-case basis and normal licensing requirements will still have to be met.

These include providing an end use statement and supporting documentation, and most notably an international import certificate from the country of final destination.

In addition, applications will be subject to the normal intense interdepartmental review and the guidelines adopted by the governments in 1986 will be applied, that is, exports of military goods will be closely controlled to countries which pose a threat to Canada or its allies, countries involved in or under imminent threat of hostilities, countries under United Nations Security Council sanctions or countries whose government has a persistent record of serious violations of the human rights of its citizens, unless it can be demonstrated that there is no reasonable risk that the goods might be used against the civilian population.

• (1030)

Exports of automatic firearms will be reported in the annual report on exports of military goods from Canada. All production facilities in Canada for automatic firearms have to meet existing rigorous DND and DSS security standards and are subject to regular, rigorous inspections.

Bill C-6 also increases penalties for offences of the Export and Import Permits Act as follows:

a) for summary convictions, fines are increased from \$5,000 to \$25,000, and imprisonment for up to 12 months or both.

b) for indictment, fines are increased from \$25,000 to an amount that is in the discretion of the court, which in practice means that there is no ceiling, and imprisonment for up to 10 years instead of 5 years or both.

These increased penalties are intended to ensure that an adequate deterrence is provided for, taking into account the seriousness of the offences and the value of goods that might be involved. These penalties will apply to all offences under the act, not just those related to automatic firearms.

To address the issue of criminal liability, complementary amendments will be made to the Criminal Code to permit import and possession of automatic firearms for an industrial purpose in accordance with the Export and Import Permits Act.

The Criminal Code was never intended to regulate legitimate defence industry activities, which are more properly administered and controlled under the Export and Import Permits Act. The current provisions of the code create unnecessary confusion as to what can be exported and imported and which legislation and regulations the government applies to controlling exports and imports of military goods. Except as specifically provided for by Bill C-6, possession and importation of automatic weapons remain illegal and subject to criminal prosecution under the code.

The EIPA is being amended to introduce new, additional controls on the export and import of automatic firearms. Exports of automatic firearms will be permitted only to those countries listed on the automatic firearms country control list. Applications for permits to export