

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

- For summary convictions: fines are increased from \$5,000 to \$25,000, and imprisonment for up to 12 months, or both.
- 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," and 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.

To summarize:

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 automatic firearms to countries not on the List will be denied. A country's inclusion on the new control List does not in itself constitute authority to export automatic firearms to that country. It merely establishes the necessary ground to be considered on a case-by-case basis.

The controls will be applied in two stages:

First: a defence research, development and production agreement will have to exist between Canada and the country of final destination, and that country will have to be included on the Automatic Firearms Country Control List maintained under the