The nature of automatic firearms and their potential use make tight control on their import, possession and export an absolute requirement. We know only too well that automatic firearms can be readily bought and sold on the international market, and frequently without any effective national or multilateral controls. They are widely used by terrorists, criminals and those involved in the narcotics trade.

It was precisely because of these factors that the Government decided not to introduce new flexibility with respect to exports of automatic firearms until it was satisfied that effective licensing and enforcement of exports of such goods were possible. In particular, we wanted the controls to be as stringent as possible and at the same time to ensure that the discretionary authority to issue permits for automatic firearms was clearly constrained. We also wanted to increase substantially the penalties for violations of export controls.

The Bill tabled in the House on May 23 meets these criteria.

Under the Export and Import Permits Act, the authority of the Secretary of State for External Affairs to approve permits for exports of automatic firearms will be limited to those countries listed on a new Automatic Firearms Country Control List. Her authority to refuse inappropriate applications remains total and undiminished. The List is to include only those countries with which Canada has an intergovernmental defence research, development and production agreement. The Bill applies only to automatic firearms. It does not affect controls on other weapons prohibited under the Criminal Code. All other controls provided for under the Export and Import Permits Act remain unchanged.

In keeping with the concern shared by most Canadians for restraining the arms trade, the required defence production arrangements will be concluded only with Canada's NATO allies and close defence partners. Those countries will be made known through the publication of the Automatic Firearms Country Control List. Applications to export automatic firearms not on the List will be denied. Exports of automatic firearms will be permitted only to the government with which Canada concludes the necessary arrangement. Sales will be permitted only to governments, and acceptable 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.