This Report is submitted pursuant to Section 26 of the Export and Import Permits Act (hereinafter referred to as the Act), Chapter E-17 of the 1970 Revised Statutes of Canada, as amended, which provides:

"26. As soon as practicable after the 31st day of December of each year the Minister shall prepare and lay before Parliament a report of the operations under this Act for that year."

INTRODUCTION

The authority to control the import and export of commodities and technologies is derived from the Act. The Act finds its origin in the <u>War Measures Act</u> and was passed as a Statutory Act of Parliament in 1947 and subsequently amended on a number of occasions.

In terms of its organization, the Act provides that the Governor in Council may establish a series of lists known as the Import Control List (ICL), the Export Control List (ECL) and the Area Control List (ACL). For each one of these lists the Act sets out criteria that govern the inclusion of goods or countries on the respective lists and provides that the Governor in Council may revoke, amend, vary or re-establish any of the lists. Control over the flow of goods contained on these lists or to specific destinations is effected through the issuance of import or export permits.

The Act delegates to the Secretary of State for External Affairs the authority to grant or deny requests for these permits and thus confers on him broad powers to control the flow of the goods contained on these lists. The operations carried out under the Act can be grouped under the following headings: