

The awarding of international contracts would help keep defence companies viable, thereby allowing the Canadian Forces to continue to purchase, repair and maintain this equipment in Canada, rather than having to seek foreign suppliers.

Mr. Wilson said companies that violate the new regulations could face fines amounting to the total value of the illegal transaction and officers of such companies could face jail sentences of up to 10 years.

Complementary changes to the Criminal Code were introduced at the same time. Since January 1, 1978, fully automatic weapons have been classified in the Criminal Code as prohibited weapons. Importation or possession of these weapons has therefore been illegal, except in the case of the Canadian Forces and police. The amendments to the Criminal Code will correct this situation. Prohibition on the general sale of automatic weapons in Canada will remain unchanged.

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