

Canada and outside resulted from the surplus cattle from outside Manitoba slaughtered in Winnipeg.

EXPORT AND IMPORT PERMITS ACT

TIME LIMIT FOR PROSECUTIONS—FIXING OF MAXIMUM FINE

Right Hon. C. D. Howe (Minister of Trade and Commerce) moved the second reading of Bill No. 93, to amend the Export and Import Permits Act.

Mr. G. J. McIlraith (Parliamentary Assistant to the Minister of Trade and Commerce): Mr. Speaker, this is a rather simple bill. As the act now stands prosecution can be taken either by way of indictment or summary conviction in the case of alleged offences, with a different penalty in each case. If proceedings are taken by way of summary conviction the maximum penalty is \$500; if the proceedings are taken by way of indictment the maximum penalty is \$5,000.

Another consequence of that distinction is that if proceedings are taken by way of summary conviction under the Criminal Code the charge must be laid within six months of the commission of the offence. The purpose of the bill is to permit proceedings by way of summary conviction in all cases and to provide that in all cases the maximum penalty will be \$5,000. It is being provided also that in case of proceedings by way of summary conviction the proceedings may be commenced within twelve months of the commission of the offence.

In other words, the effect of the bill will be to lengthen the period within which proceedings by way of summary conviction may be commenced from six to twelve months and to increase the maximum penalty in those cases from \$500 to \$5,000. Offences under the act are likely to involve investigations in other countries and it has been found that the six months' period is too short.

Export permits cover strategic materials and the amount of money involved in any transaction is likely to be quite substantial. A maximum fine of \$500 might be quite small in relation to the amount of the transaction involved. I do not think that there is anything more I can usefully add in explaining the bill.

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I have no desire to make any general comments on the bill. As the parliamentary assistant has said, it is quite simple. I have some questions to ask with regard to the operation of the act but these can be asked more conveniently in committee.

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Beaudoin in the chair.

Export and Import Permits Act

On section 1—Time limit.

Mr. Macdonnell (Greenwood): Will the parliamentary assistant make a brief statement as to the operation of the act, and in particular will he indicate to what extent there has been some change due to the passing of the years in the chief purpose for which the act has continued to be used? When it was passed five years ago I think we hoped that by now we would have moved into a period when controls would not be needed so much. There have been frequent minor changes, as indicated by orders in council that have been passed, and I would be grateful if the parliamentary assistant would give us a short résumé of the situation indicating the chief reasons which require the controls in operation at the present time. For example, as I read the reports of operations for 1950 and 1951 it would appear that there has been an easing up as between us and the United States. I give that as an illustration of one of the changes that have taken place. I should like to have a brief general statement.

Mr. McIlraith: Practically all the changes have been by way of removal of items from control so that we are now in a situation where export control is virtually limited to the control of strategic materials of one sort and another. Perhaps if I indicate the nature of the items under control it will be apparent what the trend is. The items under import control now are iron and steel, untanned shearlings, sulphur, butter and recently livestock. Import control on meat was recently imposed. The hon. member will see that the list under import control is very small.

Export controls are applicable to a considerably larger number of items, something in the order of 270. Incidentally, the precise list is published in the regulations which are available to all members. When you look at these items it will be seen that they are mainly of a strategic nature. For instance, if you take the heading, "non-metallic minerals, chemicals and their products" you may find approximately 60 or 70 different items in that category. It is really only the subheadings that are important. They are all items having to do with defence preparedness and involving short supply. In a few cases they have to do with preventing Canada being used as a back door for the export of goods from the United States. There may be some items where the United States has export control but not against Canada, and if we did not have export controls on those few items it can be seen that Canada could easily be used as a back door for the export of these United States items.