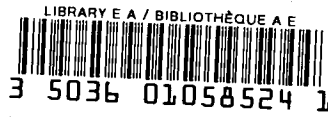


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REPORT OF THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS  
respecting operations under the  
EXPORT AND IMPORT PERMITS ACT  
for the year 1982

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MINISTÈRE DES AFFAIRES ÉTRANGÈRES

5221995

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 War Measures Act 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:

1. Import Controls
  - (a) Agricultural Products
  - (b) Textiles and Clothing
  - (c) Footwear
  - (d) Endangered Species

2. Export Controls

3. Violations

1. Import Controls

Section 5 of the Act provides that the Governor in Council may establish a list of goods, called the Import Control List (ICL) whose importation he deems it necessary to control for any of the following purposes:

- to ensure adequate supply and distribution of an article that is scarce on world markets or is subject to control in the country of export;
- to implement any action taken under the Farm Products Marketing Agencies Act;
- to support any action taken under the Meat Import Act;
- to implement any action taken under a number of named acts; e.g., the Agricultural Stabilization Act, the Fisheries Prices Support Act, the Canadian Dairy Commission Act, to support the price of the article;
- to implement an intergovernmental arrangement or commitment;
- to limit, pursuant to an enquiry by the Textile and Clothing Board or the Anti-dumping Tribunal, the importation of goods causing or threatening to cause serious injury to domestic producers.

(a) Agriculture

The following agricultural products were contained on the ICL in 1982 and subject to control for the following reasons:

i) to restrict for the purpose of supporting any action under the Farm Products Marketing Act, the importation in any form of a like article to one produced in Canada, the quantities of which are fixed or determined under that Act:

- Turkey, turkey parts and products manufactured wholly thereof;
- Eggs and egg products;
- Chicken and chicken capons, live or eviscerated, chicken parts whether breaded or battered;

ii) to implement any action taken under the Agricultural Stabilization Act, the Fisheries Prices Support Act, the Agricultural Products Co-operative Marketing Act, or the Canadian Dairy Commission Act, to support the price of the article or that has the effect of supporting the price of the article:

- Animal feeds containing more than 50% non-fat milk solids (Canadian Dairy Commission Act);
- Butter (Canadian Dairy Commission Act);
- Butter fat in any form either alone or in combination with other substances (Agricultural Stabilization Act);
- Cheese of all types other than imitation cheese (Agricultural Stabilization Act);
- Dry buttermilk (Canadian Dairy Commission Act);
- Dry casein and caseinates (Agricultural Stabilization Act);
- Dry skimmed milk (Agricultural Stabilization Act);

- Dry whole milk (Canadian Dairy Commission Act);
- Evaporated and condensed milk (Canadian Dairy Commission Act);
- Beef and veal in fresh, chilled and frozen form except offal (Agricultural Stabilization Act); and

iii) to implement an intergovernmental arrangement or commitment:

- Coffee in any form (International Coffee Agreement);
- Sugar, in any of its recognized commercial forms, derived from sugar cane or sugar beet ... (International Sugar Agreement);
- Endangered Species (Convention on International Trade in Endangered Species);
- Raccoon Dogs (Bilateral Arrangement with the U.S.A.).

As regards agricultural products, the following amendments and/or additions were made to the ICL during 1982:

#### Eggs

Eggs were placed on the Import Control List on May 9, 1974, under the authority of Section 5(a.1) of the Act. The global shell egg import quota for 1982 was 204,615 boxes of 15 dozen, representing 0.675% of the previous year's domestic production. The quotas for egg powder, and liquid or frozen eggs, were 22,392 kgs and 1,140,970 kgs respectively.

#### Chicken

Chicken was placed on the Import Control List on January 15, 1979 under Order in Council P.C. 1979-13 to support action taken under the Farm Products Marketing Agencies Act. The global import quota for 1982 was 25,082,664 kgs expressed as eviscerated weight.

The quota level is set at 6.3% of the previous year's domestic production. While the quota is finite, provision is made to issue import permits for chicken supplementary to the quota to meet overall Canadian market needs.

#### Turkey

Turkey was placed on the Import Control List by Order in Council P.C. 1974-1086 of May 8, 1974 under the provisions of Section 5(a.1) of the Act. The global import quota for 1982 was 1,905,107 kgs eviscerated equivalent. The quota is set annually at the equivalent of 2% of domestic production. While the quota is finite provision is made for the issuance of import permits for turkey supplementary to the quota to meet overall Canadian market needs.

#### Beef and Veal:

On October 1, 1982, the rationale for placing beef and veal on the ICL, i.e., Section 5.1(b), was changed to Section 5.1(c) "to implement an intergovernmental arrangement or commitment" by Order in Council P.C. 1982-3080 to take into account the agreement between Canada and the United States limiting the beef and veal trade between the two countries for the remainder of 1982. Import permits were required for imports of beef and veal from all sources for monitoring purposes. General Import Permit No. 9 was changed by Ministerial Order SOR/82-907 of October 1, 1982 to permit the entry of small quantities of beef and veal for personal use (up to 9 kgs).

Item 20 (Beef and Veal) was removed from the ICL effective January 1, 1983 by Order in Council P.C. 1982-4013 of December 23, 1982, and G.I.P. No. 9 was revoked by Ministerial Order SI/83-41 of February 23, 1983.

Coffee

Coffee was placed on the ICL on October 1, 1976 to give effect to Canada's obligations as a member of the International Coffee Agreement. The controls are used to ensure that shipments are accompanied by the required certificates of the International Coffee Organization (ICO) (these are used to provide statistical data on the movement of the commodity), and to ensure that imports of coffee from countries not members of the ICO do not exceed the import quota which is assigned to Canada by the ICO for non-member coffee. For the coffee year starting October 1, 1981 to September 30, 1982, the non-member quota was 108,300 kgs of green coffee. The quota remained the same for the 1982-83 coffee year.

Sugar

Sugar was placed on the ICL on April 17, 1978 to give effect to Canada's obligations as a member of the International Sugar Organization (ISO). The controls are used to ensure that shipments of sugar imported into Canada are accompanied by the required Certificates of Contribution of the ISO (these are used to provide statistical data on the movement of the commodity, as well as to ensure that all imports of sugar have been subjected to payment of contribution to the ISO's Sugar Stock Financing Fund). The import quota for non-member sugar assigned to Canada by the ISO amounted to 122 tonnes for the calendar year 1982.

(b) Textiles and Clothing

On August 19, 1980 the Government released a report of the Textile and Clothing Board (TCB), following the Board's inquiry into the situation of the textile and clothing industries in Canada. A main theme of this Report

related to the need to create an environment more conducive to generating the capital investment necessary for further development of a competitive textile and clothing industry. The TCB, therefore, recommended the continuation of special measures of protection for the textile and clothing industry beyond December 31, 1981; the date on which most of the existing bilateral restraint arrangements were due to expire.

On June 19, 1981, following an extensive review of the industry and bearing in mind the recommendations of the Textile and Clothing Board, the Government announced its policy for the textile and clothing sectors for the post-1981 period. The approach adopted by Canada is based on the complementary elements of industrial adjustment and development and trade policy. It seeks to establish viable and competitive Canadian textile and clothing firms as well as to revitalize the economies of those communities most vulnerable to foreign competition in these sectors. To achieve these objectives, the new sectoral policy includes measures such as the allocation of more than \$250 million over five years for a new adjustment program, the formation of the Canadian Industrial Renewal Board to manage the adjustment program, and the negotiation of restraint arrangements with exporting countries to limit imports of textiles and clothing during the five-year adjustment period.

The new policy continues the adjustment direction set by the Textile Policy of 1970. While the Government does not favour special measures of protection on a permanent basis, it recognizes that the Canadian textile and clothing industries will require some degree of protection during the adjustment period to permit the industry to restructure toward more viable lines of production. Officials, therefore, were instructed to pursue negotiations with



17 exporting countries based on the framework established by the 1979 bilateral arrangements, with a view to concluding restraint arrangements for the period 1982-1986. The Government also renewed its commitment to take prompt action where there is evidence of new sources of market disruption with respect to any low-cost textile and clothing imports.

In 1982, five-year bilateral restraint arrangements were negotiated with Hong Kong, India, Czechoslovakia, Pakistan, Singapore, Hungary and Uruguay, bringing to 17 the total number of long-term textile and clothing arrangements concluded with low-cost suppliers. All arrangements were negotiated under Article 4 of the GATT Arrangement Regarding International Trade in Textiles (MFA) for MFA member countries. The MFA provides the international legal framework for the negotiation of bilateral textile restraint arrangements. On July 12, 1982 Canada formally ratified the Protocol extending the MFA to July 31, 1986. In terms of the domestic legal framework for administration of bilateral restraint arrangements, textile and clothing items are placed on the ICL under the authority of Section 5(c) of the Act.

In October 1982, the Government invoked the consultation clauses in its bilateral restraint arrangements with Hong Kong, Korea, China and the Taiwan Textile Federation because imports of a number of clothing products had increased significantly in 1982, with serious implications for the domestic clothing industry. Canada sought to negotiate lower restraint levels for selected clothing products for 1983. The consultations were scheduled to take place in December 1982 and in January and February 1983.

A Ministerial Order, dated May 28, 1982, amended all general import permits for textiles, clothing, work gloves and handbags by adding the words "except Argentina" immediately after the words "import into Canada from any country", effective June 23, 1982.

Order in Council P.C. 1982-379, effective February 11, 1982, amended the ICL in the following manner:

1. Items 11.1, 13, 13.1, 15, 16, 16.1 and 17 were renumbered as items 12, 14, 15, 17, 18, 19 and 20, respectively.
2. Item 18 was renumbered as item 22.
3. Items 19, 20, 21 and 22 were renumbered as items 24, 25, 26 and 27, respectively.
4. Items 23 and 24 were renumbered as items 29 and 30.
5. Item 24.1 was revoked.
6. Items 25, 25.1 and 26 were renumbered as items 31, 31.1 and 32, respectively.
7. Item 27 was renumbered as item 32.1
8. Items 28 to 46 were renumbered as items 34 to 52, respectively.
9. Item 47 was renumbered as item 57.
10. Items 49 to 55 were renumbered as items 59 to 65, respectively.

Order in Council P.C. 1982-380 dated February 22, 1982, amended the ICL, effective February 12, 1982, in the following manner:

1. Item 14 was revoked.
2. Item 22 was revoked and replaced with the following:  
"22. Polyester fabrics that are
  - (a) broadwoven filament polyester fabrics;
  - (b) broadwoven polyester-cotton fabrics where the polyester fibres represent 50 percent or more by weight, originating in Hong Kong, Republic of Korea or Taiwan; or
  - (c) broadwoven polyester fabrics not included in paragraph (a) or (b) originating in the Republic of Korea or Taiwan."

3. Items 24 to 27 were revoked and replaced with the following:

- "24. All types of machine knitting and hand knitting acrylic yarns containing 50 percent or more by weight of acrylic fibres, except those yarns composed entirely of fibres not exceeding 6.35 cm in length.
- 25. Woollen fabrics that are
  - (a) worsted fabric containing 17 percent or more by weight of wool from all sources except France, Italy, Japan, Netherlands, Switzerland, United Kingdom, United States or West Germany;
  - (b) woollen fabrics, 252 g. or less per square yard, originating in Taiwan; or
  - (c) all wool or wool blends, not included in paragraph (a) or (b) originating in the Republic of Korea.
- 26. Nylon broadwoven fabrics, originating in Hong Kong, Poland, Romania, the Republic of Korea or Taiwan.
- 27. Polyester yarn that is
  - (a) textured filament yarn, originating in the Republic of Korea or Taiwan;
  - (b) yarn made from 100 percent polyester fibres or filament, originating in Hong Kong; or
  - (c) any type of polyester yarn, other than textured filament yarn, originating in the Republic of Korea or Taiwan."

4. Item 29 was revoked and replaced with the following:

- "29. (1) Cotton terry towels, washcloths and sets of cotton terry towels and washcloths that contain 50 percent or more by weight of cotton, originating in the People's Republic of China, Czechoslovakia, Hong Kong, India, Pakistan, Poland, the Republic of Korea or Taiwan.
- (2) Cotton towels, other than cotton terry towels, originating in Hong Kong, Poland, the Republic of Korea or Taiwan.

(3) Towels, other than towels referred to in subitems (1) and (2), originating in Poland, the Republic of Korea or Taiwan."

5. Items 31 to 32.1 were revoked and replaced with the following:

"31. Work gloves, wholly or mainly of textile fabric whether impregnated or coated or not, or leather, whether fully or partially manufactured.

32. Winter outerwear garments commonly referred to as (a) snowsuits, snowmobile suits, ski-suits, ski-pants and snowpants, and

(b) jackets and vests including parkas, ski-jackets, and similar jacket-type garments that have an outer shell manufactured substantially from woven fabrics and that are lined and designed to protect the wearer against the cold, whether fully or partially manufactured."

6. Item 34 was revoked and replaced with the following:

"34. Hosiery."

7. Items 35 and 36 were revoked.

8. Item 37 was revoked and replaced with the following:

"37. Pants, slacks, jeans, overalls, coveralls and outershorts, whether fully or partially manufactured."

9. Item 38 was revoked.

10. Items 39 to 47 were revoked and replaced with the following:

"39. Blouses and shirts, including shirts with other than tailored collars, t-shirts and sweatshirts, whether fully or partially manufactured.

40. Sleepwear and bathrobes, whether fully or partially manufactured.

41. Rainwear, whether fully or partially manufactured.

42. Sportswear, including dresses, skirts, coordinates or matching sets, whether fully or partially manufactured.

43. Foundation garments, whether fully or partially manufactured.
  44. Swimwear, whether fully or partially manufactured.
  45. Underwear, whether fully or partially manufactured.
  46. Jackets, overcoats, topcoats, professional coats and shopcoats, whether fully or partially manufactured.
  47. Fine suits, sportscoats and blazers for men and boys, whether fully or partially manufactured."
11. Item 48 was revoked.
  12. Items 49 to 52 were revoked and replaced with the following:
    - "49. Shirts with tailored collars for men and boys, whether fully or partially manufactured.
    50. Sweaters, pullovers and cardigans, whether fully or partially manufactured.
    51. Bedsheets woven, made wholly or mainly by weight of cotton, man-made fibres or blends thereof, originating in the Republic of Korea, Taiwan, Poland, the People's Republic of China or Hong Kong.
    52. (1) Pillowcases, woven, made wholly or mainly by weight of cotton, originating in Poland, the Republic of Korea, Taiwan, Hong Kong or the People's Republic of China.  
(2) Pillowcases, woven, made wholly or mainly by weight of man-made fibres or blends thereof, originating in the Republic of Korea, Taiwan, Hong Kong, or the People's Republic of China."
  13. Item 58 was revoked and replaced with the following:
    - "58. Handbags, made of fabrics, whether uncoated, coated or bonded containing natural or man-made fibres or blends of these fibres, with a body area, excluding handles, between 258 cm<sup>2</sup> and 1226 cm<sup>2</sup>, in the

manufacture of which leather and plastic materials may be used as trim and finish but not a major component of the shell."

14. Items 60 to 65 were revoked and replaced with the following:

- "60. Rayon, nylon or mixed fibre yarns that contain
- (a) any type of rayon yarn, originating in the Republic of Korea;
  - (b) any type of nylon yarn, originating in the Republic of Korea or Taiwan;
  - (c) any type of polyester-cotton yarn, originating in Hong Kong or Taiwan; or
  - (d) any type of mixed or blended fibre yarn, originating in Taiwan.
61. Broadwoven cotton fabrics that are
- (a) duck and allied fabrics, drills, twills, or warp sateen, originating in Hong Kong;
  - (b) sheeting, unbleached, bleached or coloured, originating in Hong Kong or the Republic of Korea;
  - (c) print cloth, unbleached, bleached or coloured, originating in Hong Kong;
  - (d) print cloth and sheeting, unbleached, originating in Taiwan;
  - (e) flannel napped fabric, unbleached, bleached or coloured originating in Hong Kong, Poland or Taiwan;
  - (f) denim, originating in Hong Kong, the People's Republic of China, Poland or the Republic of Korea;
  - (g) corduroy, unbleached or bleached, originating in Hong Kong, the People's Republic of China, Poland, the Republic of Korea or Taiwan;
  - (h) corduroy, coloured, originating in Hong Kong, the People's Republic of China, Poland or the Republic of Korea;

- (i) terry cloth, unbleached, bleached or coloured, originating in the Republic of Korea;
  - (j) terry cloth, coloured, originating in Poland;
  - (k) pile fabrics, unbleached, bleached or coloured, originating in Hong Kong, Poland or the Republic of Korea; or
  - (l) cotton fabrics, other than cotton fabrics referred to in paragraphs (a) to (c), (e) to (h), (j) and (k), originating in Hong Kong or Poland.
62. Fabrics that are
- (a) broadwoven rayon fabrics, originating in Poland or the Republic of Korea;
  - (b) broadwoven fabrics of mixed fibres, originating in Poland;
  - (c) broadwoven rayon-polyester fabrics, originating in the Republic of Korea;
  - (d) fabrics of rayon blends, originating in Poland or the Republic of Korea; or
  - (e) broadwoven fabrics, other than referred to in paragraphs (a) to (d), originating in Poland or the Republic of Korea.
63. Fabrics that are vinyl and polyurethane coated, originating in the Republic of Korea or Taiwan.
64. Household textiles that are
- (a) blankets of cotton, originating in the People's Republic of China;
  - (b) blankets of man-made fibres or blends thereof, originating in Poland;
  - (c) tablecloths, originating in Poland; or
  - (d) bedspreads, originating in Poland.
65. (1) All types of cordage, rope or twine, originating in Taiwan.

- (2) All types of cordage, rope or twine, other than manila rope, baler or binder twine, originating in the Republic of Korea."

The amendments were made to incorporate changes reflected in bilateral restraint arrangements for textile and clothing items.

A Ministerial Order dated February 4, 1982 cancelled General Import Permits Nos. 4, 10, 12, 13, 14, 15, 20, 21, 24, 35, 36, 51, 52 and 58 for textiles, clothing, work gloves and handbags, effective February 11, 1982 and replaced them with General Import Permits Nos. 4, 10, 11 and 12.

Under the authority of General Import Permit No. 4, importers may import into Canada from any source textile items as specified in items 15, 22, 24, 25, 26, 27, 29, 34, 51, 52, 60, 61, 62, 63, 64 and 65 of the ICL provided each shipment satisfies the following conditions:

- i) the goods are imported by a resident of Canada for his personal use or as gifts and have a value for duty as determined under the Customs Act of not more than \$500.00 for each importation; or
- ii) the imported goods are bona fide commercial samples not for sale in Canada and have a value for duty as determined under the Customs Act of not more than \$500.00 for each importation.

Under the authority of General Import Permit No. 10, importers may import into Canada from any source clothing items as specified in items 32, 37, 39, 40, 41, 42, 43, 44, 45, 46, 47, 49 and 50 of the ICL provided each shipment satisfies the following conditions:



- i) the value for duty, as determined under the Customs Act, is not more than \$500.00 for each importation; or
- ii) the importation of the goods has a value for duty, as determined under the Customs Act, of more than \$500.00 for each importation and the number of units of the goods to be imported does not exceed twelve.

Under the authority of General Import Permit No. 11, importers may import into Canada from any source work gloves as specified in item 31 of the ICL provided each shipment satisfies the following conditions:

- i) the goods are imported by a resident of Canada for his personal use or as gifts and the importation does not exceed twelve pairs; or
- ii) the imported goods are bona fide commercial samples not for sale in Canada and each importation does not exceed 144 pairs.

Under the authority of General Import Permit No. 12, importers may import into Canada from any source handbags as specified in item 58 of the ICL provided each shipment satisfies the following conditions:

- i) the goods are imported by a resident of Canada for his personal use or as gifts and have a value for duty, as determined under the Customs Act, of not more than \$500.00 for each importation; or
- ii) the imported goods are bona fide commercial samples not for sale in Canada and have a value for duty, as determined under the Customs Act, of not more than \$500.00 for each importation.

Order in Council P.C. 1982-2008 dated July 8, 1982, revoked item 66 of the ICL to remove the import control on goods of Argentine origin effective July 9, 1982.

Order in Council P.C. 1982-2473 dated August 18, 1982, revoked item 31 of the French version of the ICL, effective August 19, 1982, and replaced it with the following:

"31. Gants de travail, entièrement ou partiellement finis, faits en entier ou en grande partie de textiles, pouvant ou non être imprégnés ou enduits, ou faits de cuir".

The amendment was made to clarify the French version with regard to the control of work gloves made of textile fabric not impregnated or coated.

(a) Footwear

Following an enquiry by the Anti-dumping Tribunal under Section 16.1 of the Anti-dumping Act, that found that imports of footwear were causing or threatening to cause injury to Canadian producers of like goods, the Government announced, effective December 1, 1977, the imposition of a quota on imports of footwear from all sources. The coverage of this global quota excluded rubber and canvas footwear, downhill ski boots, as well as plastic and waterproof footwear. In June 1980, the Government announced the extension of the quota to November 30, 1981 to enable the Anti-dumping Tribunal to carry out an enquiry into the need for continued special measures of protection.

Pursuant to the 1981 report of the Tribunal, the Government, on November 24, 1981, announced the extension for three-years of the global quota on imports of non-leather footwear, along with the addition of canvas footwear effective December 1, 1981. Leather footwear, which had been covered by previous footwear quota, was at this time excluded from quota coverage.

On July 9, 1982, the government announced that, effective that date, imports of leather footwear were once again under control, pursuant to the 1981 report of the Anti-dumping Tribunal.

The import quotas on leather and non-leather footwear are in place until November 30, 1984. The restraint levels for leather footwear were set at 3.4 million pairs for July 9, 1982 to November 30, 1982, 11.4 million pairs for December 1, 1982 to November 30, 1983 and 11.7 million pairs for December 1, 1983 to November 30, 1984. For non-leather footwear the revised restraint levels are 34.1 million pairs for December 1, 1981 to November 30, 1982, 35.1 million pairs for December 1, 1982 to November 30, 1983 and 36.2 million pairs for December 1, 1982 to November 30, 1984.

Order in Council P.C. 1982-2081, dated July 9, 1982, added Item 67 (leather footwear) to the ICL. The Order in Council also revoked the previous Item 57 of the ICL and substituted the new description of the non-leather footwear item to reflect the revised restraint levels and the fact that several specialized categories that had been exempt from ICL coverage were brought under surveillance.

(d) Endangered Species

On January 2, 1974, Canada signed the Convention on International Trade in Endangered Species of Wild Fauna and Flora. Canada ratified this Convention becoming a party to the International Agreement on April 10, 1975.

Effective October 14, 1982, Canada withdrew its reservations on 13 species of fauna so that imports to and exports from this country of those species or their parts or derivatives are covered by the Convention. Canada amended the Import and Export Control Lists under Sections 3(b) and 5(c) of the Act in order to effect the changes.

Appendices I, II and III of the ECL (C.R.C., c.601) were revoked by Order in Council P.C. 1982-3139 and new Appendices were substituted. Order in Council P.C. 1982-3140, also dated October 14, 1982, amended the ICL replacing Appendices I, II and III with new Appendices.

Issuance of Import Permits

Section 14 of the Act stipulates that:

"No person shall import or attempt to import any goods included in an Import Control List except under the authority of and in accordance with an import permit issued under this Act."

Section 8 authorizes the Minister to:

"... issue to any resident of Canada applying therefor a permit to import goods included in an Import Control List, in such quantity and of such quality, by such persons, from such places or persons and subject to such other terms and conditions as are described in the permit or in the regulations."

Authority is provided under Section 12 of the Act for regulations prescribing the information and undertakings to be furnished by applicants for permits, procedures to be followed in applying for and issuing permits, and requirements for carrying out the purposes and provisions of the Act.

Section 5 of the Import Permit Regulations (C.R.C., c.605) provides for the issuance of general permits authorizing the import of specified goods up to specified limits or subject to specified conditions.

The following is a statistical summary of applications for import permits processed during 1982.

Import permits issued.....	120,569
Applications refused.....	2,199
Applications cancelled.....	4,463

All applications for permits required for Appendix I specimens on the ICL were handled by the Canadian Wildlife Service. The following permits were processed in accordance with General Import Permit No. 17 of September 21, 1976:

Applications approved.....	52
Applications refused.....	19
Applications withdrawn.....	3

Twenty-two (22) permit applications for live species and twenty-one (one withdrawn) permit applications for parts or derivatives were received and approved by the Canadian Wildlife Service during 1982. The majority of these permits were issued to travelling circuses.

#### Issuance of Certificates

Section 9 of the Act provides that:

"The Minister may, in order to facilitate the importation of goods into Canada and compliance with the laws of the country of export, issue to any resident of Canada applying therefor an import certificate stating that the applicant has undertaken to import the goods described in the certificate within the time specified therein and containing such other information as the regulations require."

Import Certificate Regulations (C.R.C., c.603) provide for the issuance of import certificates which are required by the country of export before it will allow goods to be shipped to Canada. They also provide for the issuance of Delivery-Verification Certificates for goods imported into Canada to comply with the requirements. The purpose of these regulations is to prevent the diversion in transit or the unauthorized trans-shipment of such goods.

The following is a statistical summary of certificates processed during 1982.

Import Certificates issued.....898  
Delivery-Verification Certificates issued.....353

## 2. Export Controls

Section 3 of the Act provides that the Governor in Council may establish a list of goods, to be called an Export Control List (ECL), including therein any article the export of which he deems it necessary to control for any of the following purposes, namely,

- (a) for national security reasons;
- (b) to promote further processing of natural resources;
- (c) to limit or keep under surveillance the export of any raw or processed material that is produced in Canada in circumstances of surplus and depressed prices that is not a produce of agriculture;
- (d) to implement an intergovernmental arrangement or commitment; or
- (e) to ensure adequate supply and distribution.

Groups 1 and 2 of the List cover agriculture and forest products.

On October 1, 1982 Item 1021, beef and veal, was added to the ECL by Order in Council P.C. 1982-3079 in order to implement an intergovernmental arrangement with the United States of America. A Ministerial Order, SOR/82-906, created the Export of Beef and Veal Permit (General Export Permit No. EX.13) which authorized the exportation of beef and veal for personal use by the exporter and his household up to a limit of 9 kgs.

General Export Permit, C.R.C., c.610, (General Export Permit No. EX.2) provides standing authorization for certain exports of civilian commercial goods identified in the Schedule to the Permit, which are not considered to require control on an individual basis. A Ministerial Order, SOR/82-128 dated June 28, 1982, amended the General Export Permit effective July 14, 1982 to change the short title of the Permit and to clarify the purpose of the permit.

#### Issuance of Export Permits

Section 13 of the Act provides that:

"No person shall export or attempt to export any goods included in an Export Control List or any goods to any country included in an Area Control List except under the authority of and in accordance with an export permit issued under this Act."

An export permit is required before an item included in the ECL may be exported from Canada to any destination with the exception, in most cases, of the United States. However, twelve items in the List require permits before they may be exported to any destination including the United States, i.e.: 1001 - pancreas glands of cattle and calves; 1011 - endangered species (Appendix I or II); 2001 - logs of wood (of all species); 2002 - pulpwood (of all species); 5665 -

scrap iron and steel; 5667 - Canadian one cent bronze coins; 8001 - source (fertile) and fissionable materials; 8005 - deuterium; 8039 - tritium; 8050 - radio-active materials; 8136 - nuclear reactors; 10011 - serum albumin.

All goods originating in the United States that are to be re-exported from Canada require an export permit except any such goods that have been further processed or manufactured outside the United States, by combining them with other goods or otherwise so as to result in substantial change in value, form and use of the goods or in the production of new goods, unless the goods to be exported are listed in another Group in this List.

All goods originating outside Canada that are identified in the ECL require an export permit to be re-exported from Canada to any destination with the exception, in most cases, of the United States. Any such goods that are in transit in bond on a through journey and accompanied by a billing or other documentation which clearly indicates the ultimate destination are exempted from the requirements to have an export permit.

Section 7 of the Act provides that:

"The Minister may issue to any resident of Canada applying therefor a permit to export goods included in an Export Control List or to a country included in an Area Control List, in such quantity and of such quality, by such persons, to such places or persons and subject to such other terms and conditions as are described in the permit or in the regulations."

Authority is provided under section 12 of the Act for regulations prescribing the information and undertakings to



be furnished by applicants for permits, procedures to be followed in applying for and issuing permits, and requirements for carrying out the purposes and provisions of the Act.

Section 6 of the Export Permit Regulations (C.R.C., c.602) provides for the issuance of general permits authorizing the export of certain named goods to all destinations or to specified destinations.

The Regulations Respecting Trans-shipment (C.R.C., c.606) enable Canada to co-operate in a system agreed upon by a number of countries to prevent the diversion of strategic materials in transit.

The following is a statistical summary of applications for export permits processed during 1982 relating to both the Export Control List and the Area Control List:

Export permits issued.....	5,168
Applications refused.....	25
Applications withdrawn.....	139
Export permits cancelled.....	9
Applications pending as of December 31, 1982..	107

In addition, applications for permits required for specimens included in Appendices I, II and III of the ECL were handled by the Canadian Wildlife Service. The following permits were processed in accordance with General Export Permit No. Ex.14 of September 21, 1976:

Applications approved.....	269
Applications refused.....	1
Applications withdrawn.....	2

### 3. Violations

Section 19 of the Act provides that:

- (1) Every person who violates any of the provisions of this Act or the regulations is guilty of an offence and is liable
  - (a) on summary conviction to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding twelve months or to both fine and imprisonment; or
  - (b) on conviction upon indictment to a fine not exceeding twenty-five thousand dollars or to imprisonment for a term not exceeding five years or to both fine and imprisonment.
- (2) A prosecution under paragraph (a) of sub-section (1) may be instituted at any time within three years from the time when the subject matter of the complaint arose.

Section 24 of the Act delegates responsibility for the enforcement of the Act to all officers as defined in the Customs Act. One hundred and forty-five suspected violations were investigated or are still under investigation; 40 charges were laid resulting in thirty-five (35) convictions and fines totalling \$44,534.29. Three (3) charges were dropped. As of December 31, 1982, 11 court cases were pending.

