
In terms of world wide military exports, the internationally recognized standard is contained in the annual *United Nations' Register of Conventional Arms*. There is no other comprehensive data source for international military trade. According to the UN Register, Canada accounts for less than one per cent of the world arms market.

The 1995 Annual Report includes the following noteworthy elements. Exports of military goods amounted to \$447 million in 1995. As in previous years, NATO and the AFCCL countries¹ accounted for the major share - this year, 87.3% - of Canada's military exports. All other countries comprised 12.7%, representing a modest decrease from 1994, but still considerably less than the 25% registered in 1990. High income countries (based on per capita share of GNP) accounted for 91.4% of military sales, with only 2.3% going to low income countries.

Table 1 illustrates the export of military goods by destination according to security groupings and income. Table 2 illustrates the export of military goods by destination with comparative figures for 1994. Table 3 shows the kinds of military goods exported to each country as described under the ECL. Finally, Table 4 displays the value exported of each ECL category globally. NATO and AFCCL countries are listed in Annex 1. Descriptions of the ECL categories referred to in this report are provided in Annex 2.

Canadian military exports in 1995 decreased by 11.7% from 1994. Because of Canada's modest exports by world standards, single large transactions have a disproportionate effect on statistics. In 1995 major shipments of Light Armoured Vehicles (LAV's) to Saudi Arabia and Australia took place under multi-year contracts. These LAV's alone accounted for 57% of all Canadian military exports outside the U.S. in 1995. Compared to the previous year, military exports to, among others, Algeria, Belgium, Germany, Indonesia, Portugal, Saudi Arabia, Singapore, Spain and Thailand declined significantly; while sales to such countries as Australia, Argentina, Denmark, France, Malaysia, the Netherlands, New Zealand and Norway grew.

¹ *AFFCL stands for Automatic Firearms Country Control List. Exports of automatic weapons prohibited under the Criminal Code can be authorized only to the armed forces of the thirteen countries with which Canada has signed defence production and research agreements.*