Since there has been some difference of views among various groups as to what was considered to be military equipment, the Government considered it important that all participants share a common understanding of what goods are being controlled. The Government has defined military goods using the multilaterally-agreed International Munitions List (Group 7 of the current Export Control List). This List, in addition to arms and ammunition, also includes equipment "specially designed for military purposes", such as military vehicles, military range-finding equipment, and certain types of electronic equipment manufactured to military specifications.

Canadian policy will continue to prohibit the export of military and strategic goods to the Republic of South Africa. The close control of exports of military goods to areas of conflict reflects a longstanding Canadian desire not to become involved in local disputes and is consistent with the Government's objective of promoting international order and stability through the peaceful resolution of disputes.

The Government also addressed the question of our national security. One means of ensuring that Canada's obligations for mutual defence and security are met is through the denial not only of military but also of strategic goods to those countries which pose a threat to our security, or to that of our allies. To this end, Canada will continue to participate in the "Coordinating Committee on Multilateral Strategic Export Controls" (COCOM), which includes our NATO This organization is at the centre of an allies and Japan. informal coordinating arrangement whose aim is to harmonize the approach taken by its members in controlling exports of strategic and military goods. This control is exercised by means of an embargo on all equipment and technology which would enhance the military potential of possible adversaries. These countries are principally the Soviet Union and its Warsaw Pact allies. The People's Republic of China is also subject to COCOM controls.

The Secretary of State for External Affairs, recognizing that the purpose of the policy is principally to control exports of military and strategic goods, reiterated that the Government encourages trade in peaceful goods with all countries. Therefore existing restrictions on trade in peaceful goods to the Soviet Union and its Warsaw Pact allies will be removed. This will be done by removing these countries from the Area Control List, thereby removing the requirement for export permits for civilian non-strategic (i.e. peaceful) goods. Controls on military and strategic equipment and technology to these countries will continue under the Export Control List.