

other most significant markets for Canadian defence exports in 2001 were Denmark (almost \$71 million) and the Netherlands and Korea (some \$60 million each). Sales to Australia declined slightly to \$42 million. Together, these five destinations received almost two thirds of Canada's non-U.S. defence exports.

Canada's military export totals are modest by world standards (based on figures in the United Nations Register, Canada accounts for less than 1 percent of the world arms market), in a sector characterized by high-value transactions. Individual sales therefore may have a disproportionate effect on statistics. Major fluctuations in totals from one year to another often reflect the initiation or completion of one or two large contracts. For example, the increase in the export of firearms (ECL number 2001) from \$3.5 million in 2000 to almost \$26 million in 2001 largely reflects contracts to supply the armed forces of close NATO allies. It is important to review the pattern of trade over a period of years and not draw conclusions based on a jump or drop from any one year to the next.

More information about export controls on military and strategic goods is available in our publication *Answers to Questions About Canada's Export Controls on Military Goods*. This document and other material related to Canada's export controls can be found at our Web site (<http://www.dfait-maeci.gc.ca/~eicb>).