

35. The military budget of Canada is often compared to military expenditures in the United States, the United Kingdom, France, Germany and Italy, the main NATO countries. Here are some interesting statistics compiled by The Institute for Strategic Studies in a paper published in November 1963 and entitled "The Military Balance 1963-1964".

36. Comparisons on Defence Expenditure

Country	As percentage of Gross National Product			1963 Defence Budgets		1963 Defence Expenditure
	1953	1958	1962	Actual	Increase or decrease compared with 1962 Budget	Per Head of Population
				(Million \$)	(Million \$)	(dollars)
Belgium.....	4.9	3.6	3.4	444	+ 88	48
Canada.....	9.0	6.0	5.1	1,480	- 109	78
Denmark.....	3.7	3.3	3.5	225	+ 45	48
France.....	11.0	8.0	7.8	4,062	+ 531	79
Germany.....	5.0	3.8	6.0	4,607	+ 857	83
Greece.....	6.1	5.8	4.5	167	- 3	21
Italy.....	4.6	4.3	4.0	1,510	+ 255	30
Luxembourg.....	3.2	2.1	1.6	7	-	22
Netherlands.....	6.2	5.0	5.0	618	+ 63	51
Norway.....	5.7	4.0	4.2	197	+ 6	54
Portugal.....	4.5	4.5	8.9	176	+ 18	18
Turkey.....	5.4	5.4	5.0	235	- 52	8
United Kingdom.....	11.3	7.8	7.4	5,146	+ 327	96
United States.....	14.8	11.1	10.7	52,400	+ 400	276
				71,274	+2,418	

37. The concept of the gross national product was the main basis for comparison and in 1962 the United States earmarked 10.7% of their gross national product to defence; France, 7.8%; the United Kingdom, 7.4%; Germany 6%; Italy, 4%; and Canada, 5.1%.

It might appear from the above comparative figures that Canada's effort is not as great as that of her main NATO allies. However, such a means of comparison is not satisfactory. The Secretariat of NATO will publish shortly statistics based on per capita defence expenditures for each NATO member country and on other criteria such as the total amount of taxes paid per capita at all levels of government. Such a basis may permit a more equitable appraisal of Canada's effort.

38. It is interesting to note, from the above table, that Canada spends \$78.00 per capita while France spends \$79.00 per capita; Italy, \$30.00 and the United Kingdom, \$96.00. Canada's international responsibilities should not be compared, of course, with those of the United States and the United Kingdom whose interests in all parts of the world are undeniable. Furthermore, those countries have assumed major power responsibilities. Surely, Canada's responsibilities are not at that level. France, for instance, located in central Europe, is nevertheless allocating only one dollar per capita more to defence.