

ment and Arms Control Affairs, which brings together representatives of Canadian disarmament organizations, academics, concerned individuals and government, met in Cornwall to discuss Arctic security. The Ambassador for Disarmament undertook a cross-Canada tour in December on the topic "Beyond the Summit: The Future of Disarmament." The Department provided \$218 000 to groups and individuals through the Disarmament Fund, and its annual \$100 000 standing grant to the Canadian Centre for Arms Control and Disarmament. The *Disarmament Bulletin*, a departmental publication providing information on Canada's arms control and disarmament activities, was widely distributed in Canada and abroad and contributed to the public discussion of these issues.

## Defence and NATO

The most notable development during the year in the area of defence policy was the publication in June of *Challenge and Commitment: A Defence Policy for Canada*, which outlined the government's plans to reinvigorate Canada's defence effort. These plans include the creation of a three-ocean navy (in part through the acquisition of nuclear-powered submarines), improving Canada's contribution to NATO in Europe (in part by consolidating its forces in the central front), revitalizing the Reserves, reinforcing surveillance and strengthening territorial defence. Steps to implement this program were undertaken throughout the course of the year.

The developments in East-West relations and the Alliance's approach to arms control and disarmament in a post-INF environment were the focal point of NATO's efforts during the period under review. At their semi-annual meeting in Reykjavik on June 11 to 12, NATO foreign ministers initiated study on the development of a comprehensive concept of arms control and disarmament. The study is to take into account progress in arms control negotiations as well as the requirements of Alliance security and its strategy of deterrence. At their second meeting in Brussels, on December 11, the NATO foreign ministers welcomed the signing of the INF agreement, which accomplished an important and long-standing Alliance objective by eliminating an entire category of nuclear missiles. This positive result was made possible by the twin pursuit of a strong defence and a serious dialogue with the East, as set forth in the 1967 Harmel Report.

NATO heads of government, including Prime Minister Mulroney, gathered in Brussels on March 2 to 3, 1988. This summit provided the opportunity for leaders to endorse the INF agreement, discuss Alliance security policy prior to the fourth superpower summit in Moscow, and consider further the development of a comprehensive approach to arms control and disarmament. In addition the leaders set out Alliance objectives for conventional arms control in Europe in a statement entitled "Conventional Arms Control: The Way Ahead."

Lord Carrington, Secretary-General of NATO, made his farewell call to Canada on March 8 to 10, 1988. On this occasion he had discussions with the Prime Minister, the Secretary of State for External Affairs and the Minister of National Defence. Lord Carrington also had an opportunity to meet with the Leader of the Opposition and the Leader of the New Democratic Party.

## Canadian submarine acquisition

In October 1987 an Office of the Co-ordinator was established to co-ordinate and bring to bear most effectively on the submarine acquisition program the responsibilities of the Department with respect to bilateral and multilateral political and defence relations, international security and arms control, and trade and economic considerations.

In order to allow proposals presented by France and the United Kingdom to be considered by ministers, a Memorandum of Understanding, outlining the terms according to which transfers of the required technology to Canada would take place, was concluded with each country. Furthermore, Agreements on Non-Proliferation and Safeguards relating to the acquisition program, which ensure full respect by Canada of its international obligations, were also negotiated with both countries.

## Canada-U.S. defence relations

Canada-U.S. defence co-operation continued to be active and extensive. The April 1987 visit to Ottawa of President Reagan provided an occasion for high-level discussion of defence matters as well as an opportunity to inform the U.S. Administration of the principal directions of Canada's defence policy review. The government's commitment to sustained real growth in defence spending and the major re-equipment program for the Canadian Forces were well received.

A primary focus of Canada-U.S. defence co-operation continues to be the bi-national effort to modernize the North American air defence system. In November 1987, the first five long-range radars of the North Warning System (an upgraded DEW line) became operational in the Western Arctic. These radars have already been used to detect Soviet long-range bombers over the Beaufort Sea and to assist Canadian CF-18s in making a recent interception. By the end of 1988, the remaining six long-range radars in the Eastern Arctic and Labrador should also be operational. Canada will be responsible for managing and manning these North Warning Systems sites as well as providing the communication links between them and NORAD's regional operations control centre.

In the period under review, supplementary arrangements under the North American Air Defence Modernization Memorandum of Understanding were concluded which provided for Canadian co-manning of U.S. "Over-the-Horizon" Backscatter (OTH-B) radars and AWACS aircraft operating in support of NORAD. Canada will be providing approximately 20 per cent of the operations personnel at the OTH-B radar system operations centre and some 40 flight-crew personnel for AWACS operations.

In addition to the close co-operation in the aerospace realm, an active pattern of exchanges and joint exercises was followed by the navies and armies of the two countries. At the policy level, consultations on bilateral security and defence questions were carried out at meetings of the Permanent Joint Board on Defence, three of which were held during 1987.

## Peacekeeping

Canada continued to make a strong contribution to peace and security through the provision of approximately 950