

*National Defence Act Amendment*

outlined quite well the problems not only here in Canada but in practically every country in the world in respect of national defence. I could go through the minister's speech and point out where he has listed certain problems in respect of manpower, certain problems in respect of command and certain problems in respect of finance. But he offers no solution so far as the Canadian government is concerned. We might take, for example, the United Kingdom solution to these problems. Last night the hon. member for Edmonton West (Mr. Lambert) put on *Hansard* the remarks of Mr. Christopher Mayhew. I should like to direct the attention of members of the house to the first and last paragraphs of those remarks. They appear at page 12411 of *Hansard*. Mr. Mayhew said:

It seemed clear to me, and Mr. Hellyer readily agreed, that the degree of dislocation which he had cheerfully and deliberately created in Canada would be too much for a country like Britain—

Then in the last paragraph he said:

A member of the department commented sardonically that he doubted whether Canada could find the money needed to finance Mr. Hellyer's economies.

After saying that there is no reduction in the expenditure for national defence the minister should have come up with some suggestion concerning how it could be reduced. As I said before, I should like to have taken the example of the United Kingdom. However, I will deal with the problems France had. I believe France probably had a great many more problems than Canada in this regard. Canada has no concrete plan to overcome the military problems today.

The French government has decided to keep military expenditures at a fixed percentage of the gross national product in order not to affect the country's living standards or production growth. This is a very sound basis on which to work. The gross national product of France is increasing by about 5 per cent annually, which means a parallel increase in absolute value in the military budget. These additional funds will make it possible to meet the growing cost of modernizing the armed forces of France. The structure of military budgets in all countries has undergone radical changes since world war II. In the case of France the sums allocated for capital expenditures have risen from 16 per cent of the military appropriation in 1945 to 50 per cent in 1966, with an appropriate drop in operating expenditures. In other words, they are balancing their budget and intend to do so.

[Mr. McIntosh.]

Military capital expenditures for defence must inevitably increase due to technological advances. New weapons and equipment become more complex and costly each year for all countries. In spite of the increase in capital expenditures for weapons, France balanced her defence budget by a sizeable reduction in military personnel which resulted in a decrease in operating expenses. The minister should make a note of this. The reduction in personnel is compensated for by the increased fire power of the new weapons that country acquired. In France the operating expenses for defence have remained fairly constant for the past five years, but fire power has increased over this period in spite of a reduction of over 50 per cent in personnel during the period 1961 to 1966.

Why did the minister not propose some sound plan for the Canadian people, like other countries have done, instead of giving us the drivel which he gave us in his speech of December 7, 1966? For a few moments I should like to refer to an article which appeared in the *Ottawa Journal* of November 14, 1966. The title of the article is, "Hellyer sees anti-unity conspiracy". The article states:

Defence Minister Paul Hellyer charged Saturday that a conspiracy of forces inside and outside parliament is determined to kill unification of the armed forces.

In a speech to the Toronto District Liberal Association, he said the real cause of the filibuster in parliament was from influences outside the House of Commons.

• (3:50 p.m.)

I do not consider that we are carrying on a filibuster. We are carrying out our duty as members of the official opposition to the people we represent and to the people of Canada. We are trying to bring to light the mess the minister is trying to make of Canada's defence, the mess he is trying to make of our sovereignty and the mess he is trying to make of our national pride. Having read the speech delivered by the minister abroad I am afraid that we are now being ridiculed by every country in the world. The article to which I have referred then states:

He blames a small group of "desk officers" who have combined forces with the Conservatives and who he said are determined to prevent unification regardless of its effects on national defence.

What does he mean by "desk officers"? Is this another rank that he has created within our forces? The article continues:

He said also that part of the blame lies in Opposition Leader John Diefenbaker's "tenuous hold on his party" and the desperation of his supporters to keep him as Conservative leader after next week's national P.C. convention.