

National Security Measures

It must be remembered that Canada has made certain commitments to its allies. These must be given very serious consideration by the minister during the final drafting of his white paper, which I presume will take place on his return from the spring meetings of the NATO Council of Ministers, to which he will be travelling next week. In this atmosphere of complacency stemming from the non-involvement of Canadian forces in active warfare, we must be careful not to ignore the perception evident in the views of our allies with respect to the threat, and the changing nature of the threat. The image that the Department of National Defence conveys is important to the many Canadians who are interested in the Armed Forces, and here I refer to both civilians and servicemen. I bring no new light to bear on the problem when I say that the morale of the forces is not at a level it could be at, or a level it should be at. I am concerned, as are many servicemen and civilians, that the forces have been downgraded through a series of events, none of which were within their control.

I hope the government fully understands that reductions, continuation of the budget freeze, and the insecurity and uncertainty caused by these two factors, erode even further the present shakey morale in the Armed Forces. To meet this threat, we hope the government will come to grips with the points I have enumerated, the questions of concern, the questions of realism, the question of a budget freeze, the question of commitments to our allies, the question of morale in the forces. While there may be ample wisdom in the Minister of National Defence reflecting in his white paper what appears to be the clear national will against expanding defence forces at this time, it is to be hoped that he will not so restrict the forces that we will slip even further down the ladder of credibility in the eyes of our own people, in the eyes of our neighbours to the south, and indeed in the eyes of our allies in the western world.

We see the problem in several ways. Today in 1971, on the eve of a white paper, we see the problem as being one brought about by the total absence of a clear, well defined national defence policy. Since the government came to power we have had ad hoc, irrelevant and inconsistent measures taken, and we still have to hear the minister's grand design. Mind you, he has taken advantage of many opportunities to elaborate it for us item by item, but we still have to see it all put together.

This vacillation, indecision and delay have brought about some degree of suspicion, which I think is justified, on the part of some of our allies. I think we have encouraged some potential enemies to look upon us askance and wonder whether or not we are credible about anything. Again, and more important, this beating around the bush, this delay and procrastination have contributed even more to lowering the morale of the men in the forces. Instead of a logically developed plan we have had the former minister's troubled dream of unification, arising out of the white paper of 1964-65. Here, I refer to the hon. member for Trinity (Mr. Hellyer). We had an extensive cutback in our NATO commitment just two years ago, to the point where we now have only

[Mr. Forrestall.]

5,000 or 6,000 men in Europe. I might add they are poorly equipped, there has been no firm decision as to what we are going to do with respect to replacing them.

We have had a reduction in our Armed Forces from about 120,000 in 1964 to the rapidly approaching 80,000 mark of today. We see the reduction of the militia to some 17,200 men from a figure much closer to 30,000. In the beginning of 1970, we were told that the defence budget would be frozen at least for the next three years. We have seen the errors which resulted in the dropping of the *Bonaventure*, and the failure to find a use for our brand new CF-5 aircraft. The list is almost endless.

• (12:10 p.m.)

Sometimes I wonder whether or not the white paper will be developed on the basis of non-availability of dollars and manpower resources or the philosophy upon which it should be based, our perception of the nature of the threat and acceptance of the fact that it is a real threat rather than an imagined one. A close look at defence expenditures over the last ten years reveals, parallel to the reduction in forces, a steady decline in Government expenditures on defence and in the priorities which have been established for the department. In 1960 the defence budget was \$1,537 billion or 26.9 per cent of the total government budget. In 1966 this percentage dropped to 20.6. Since 1968 the defence budget has been effectively frozen at around \$1.8 billion and by 1973 it will represent an insignificant portion of the Canadian commitment of its total budget.

Some hon. Members: Shame!

Mr. Forrestall: This has meant a steady and steep decline in defence expenditures as a percentage of the total government program, from approximately 20 per cent in 1967 to slightly over 12 per cent during the fiscal year 1971-72. Furthermore, the freeze will continue through 1973, meaning a further decline in defence as a government spending item.

How much are we really investing here? On a per capita basis in 1970-71 defence cost us about \$88, a decrease from the Korean peak of \$132 in 1952-53. I do not have to mention the increase in government spending or the increase in the gross national product in this country in the years that have intervened. Even if you add atomic energy, which might be considered as part of our defence establishment, the budget per capita only comes to \$91, compared with the United States per capita cost of \$360. This gives us some measure of the understanding that we should bring to the contribution being made by the United States military forces to world peace and to the defence of North America. The latter is a role with which I think we just play around.

In 1969-70 Canada's total defence outlay was 2.3 per cent of the gross national product. Belgium, a country of nine or ten million people with an armed force of 70,000 spent 3.3 per cent in the same year, an indication that they take the matter of defence structure more seriously than we do. Canada with a population of 21 million has