

Defence Initiative, which raise potentially serious questions about strategic stability and arms control. Until these questions are satisfactorily answered, Canada will continue to have reservations about cooperating in such programmes. On the other hand, Canada has an evident interest in continuing to be involved in future systems in order to have a voice in the direction of the development of North American air defence. A case in point is the space-based air surveillance system which the United States is currently developing. It would make sense for Canada to participate and carry its commensurate share, provided the United States was prepared to agree. Canada should make every effort to resolve these problems in such a way as to maintain the integrity of the bilateral defence relationship, and only in the event of being unable to influence or find common cause with the United States, should Canada decide to embark on an independent programme.

Canada has traditionally resorted to bilateral channels to deal with such issues. In doing so, it has of course suffered from the disparity of power which exists between Canada and the United States. And this disparity has been made worse by the further disparity which exists in the defence budgets of the two countries as expressed as a percentage of GNP (5.6 per cent in the case of the United States and just over 2 per cent in the case of Canada). Until this disparity is reduced, the United States is not likely to view Canada as carrying its share of the common defence burden.

In the absence of any ministerial mechanism to manage the bilateral defence relationship the main institution at our disposal is the Permanent Joint Board of Defence. When this body has been capably manned and strongly supported by the two governments, it has been able to play an effective role in