

27. In order to follow up the second chapter, further time is required to study the following matters:

- (a) Integration and co-ordination of the armed services.
- (b) Role of the Militia and other reserves.
- (c) Compulsory military service.
- (d) Manpower management.
- (e) Service Colleges.
- (f) Civil defence.

### CHAPTER III—DEFENCE BUDGET

28. At a time when the Federal government finds it hard to meet constantly increasing budget requirements, it is vital to consider defence expenditures in detail.

29. The Chiefs of Staff of each of the armed services have supplied the relevant information concerning appropriations for their respective services and budget expenditure allotments. A useful summary of that information produced by the Canadian Tax Foundation, in its publication "The NATIONAL FINANCES—1963-64", follows:

#### 30. Defence Expenditures

For Fiscal Years ending 31st March 1960 to 1964

(\$ million)

Fiscal Year	Defence Budgetary Expenditure	Total Budgetary Expenditure	Defence as a % of total
1960.....	1,537.9	5,702.0	26.9
1961.....	1,542.1	5,958.1	25.9
1962.....	1,654.9	6,520.6	25.4
1963.....	1,610.6	6,570.3	24.5
1964.....	1,639.0	6,845.0	23.9

#### 31. Budgetary Expenditure by Major Categories

For Fiscal Years ending 31st March 1960 to 1964

(\$ million)

Item	1960	1961	1962	1963	1964
Procurement of equipment.....	292.5	285.0	320.8	258.4	296.5
Construction.....	87.8	78.8	84.8	78.2	49.4
Military personnel costs.....	545.3	565.8	619.9	631.2	623.6
Operations and maintenance costs.....	586.8	577.5	596.2	605.1	629.7
Contributions to infrastructure and NATO budgets...	17.4	14.2	11.1	14.5	15.0
Industrial applied research.....	—	—	—	1.2	5.3
Research satellite program.....	—	—	—	—	.8
Total cash disbursements.....	1,529.8	1,521.3	1,632.8	1,588.6	1,620.3
Deduct:					
Expenditure from special accounts.....	14.9	3.8	6.7	13.7	29.5
Total budgetary expenditure.....	1,514.9	1,517.5	1,626.1	1,574.9	1,590.8