

haven't been offered anything yet! The arrangements in Canada and the United States have been working out well because they make sense, because they are in the interests of both countries, because they are founded on mutual respect, because we feel and think alike and are determined to preserve our way of life on this continent.

The international situation has produced an attitude in Canada towards defence which is quite different from anything we have ever had before in peacetime.

During the ten years before the war our expenditures on defence averaged less than 20 million dollars and we had less than 6,000 men in the Navy, Army and Air Force. Today our expenditures are twelve times as great and our forces are six times as large.

We now are engaged in building up forces we regard as the minimum necessary to meet the defence needs of Canada. They will include relatively small forces in being, highly trained, efficient, mechanized, largely air borne, adequate to meet immediate local defence needs as these may change from time to time. Notice that I say as these may change from time to time. That means that there is nothing static in our outlook, in our plans or in our programme; our planning provides for change and development to meet varying needs.

Some time ago, as part of these plans we announced that in 1949 we would begin the activation of three interceptor stations. This was regarded as something new, something almost revolutionary. It was simply part of a plan of development that had been worked out. There will be many more changes and developments. We cannot tell them all because there isn't anything more certain than that long-term plans will have to be changed. Also, I sometimes feel that we and other countries tell a good deal too much. However, to tell as much as possible is the only way of preventing irresponsible and far-fetched speculation.

While these plans provide for very much stronger active forces than before, they also provide for the Naval Reserve Divisions, the Reserve Army and Auxiliary Squadrons of the Air Force as major components on which we would build very much larger forces in the event of an emergency.

What reserve organization and training meant in the Second World War is shown by the figures that at the end of the war reserve officers furnished 75% of the Divisional Commanders, 85% of the Brigadiers and 98% of the Unit Commanders.

In a report to the New Zealand Government, Field Marshal Montgomery said, (I quote from a speech by the Honourable F. Jones, Minister of Defence) "Base everything on the territorial army - whatever we can afford. Maintain sufficient regulars to train the territorial army - no more" and he added, "If we can maintain a flow of men through the Army with even three months' training our defensive organization will be reasonably efficient." What we may presume the Field Marshal meant was not that it is possible to regard men having three months' training as fully qualified soldiers but that territorials, or reserves as we call them, having three months' training would provide an efficient basis for an effective defence organization.

It is interesting to note that in England today the territorial forces, corresponding very closely to our reserves, are regarded as the nucleus that would be used as front line troops in the event of an emergency. At present the territorials' strength is about

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