

56. Although the NATO agreement may be modified as of 1959, West Germany has agreed by the 1948 Brussels treaty not to manufacture atomic, bacteriological and chemical weapons for fifty years.

57. It was evident that West Germany seek to have NATO increase its tactical nuclear weapons capability to better redress the apparent imbalance in conventional forces of which Germany, being on the forward line, is most conscious.

West Germany also insists on the integrity of its entire territory, and it is for this reason that West Germany wishes that tactical nuclear weapons shall be readily available to NATO ground forces for immediate use in the event of aggression against her territory.

58. West Germany has endorsed the principle of the multilateral force within NATO because among other reasons it will give her as well as other NATO allies a greater voice in the planning for and pre-targeting of the use of nuclear weapons by NATO forces. Within NATO there is general official acceptance of the necessity of one person authorizing the use of American nuclear weapons placed at the disposal of members of NATO, viz. the President of the United States, rather than by the impractical structure of a Committee.

59. The balance of payments problem, which is inherent in the stationing of forces in another country, was discussed on a number of occasions as also was the question of production sharing of armaments. This is a serious economic side effect of our defence policy. Further study of the problem occasioned by the stationing of Canadian forces on foreign soil is urgent and necessary to determine (1) the full extent of the problem and (2) what steps should be taken to minimize the drain on Canada's dollar reserves.

60. In reply to various doubts and questions about American intentions, it must be pointed out that the United States has on numerous occasions repeated its intentions to maintain its forces in Europe and to fulfill its commitments to its NATO allies in Europe. The United States, through Mr. Robert S. McNamara, its Defence Secretary, seeks an increase of conventional forces within NATO to give NATO greater flexibility in dealing with aggression.

61. The Committee noted, while visiting No. 3 Wing, I Air Division at Zweibrücken, Germany, the enthusiasm of R.C.A.F. personnel for the quality of their new equipment, namely the CF-104. This Air Division has a strike reconnaissance (short range bomber) or interdiction role in which the majority of the targets are predetermined. The version of the F-104 with which the R.C.A.F. Air Division is equipped is designed exclusively for the delivery of nuclear warheads. This Committee was advised that other versions of the F-104 in NATO forces, have dual capacities, and it appears that with some modifications the CF-104 could serve in a dual capacity.

62. The importance and effectiveness of this strike reconnaissance role, if war were to break out, was discussed at length. In the event that a strictly conventional conflict were to break out in Europe, the First Canadian Air Division would have a very limited operational role beyond that of being a deterrent and being available as a component of a flexible response. Its exclusive nuclear