

for current lack of numbers; and which set a target date for achieving these goals. Realistically, the target date cannot be nearer than a decade away, because any purchases decided upon now would not produce a lead unit in under three to five years. Next comes the problem of ordering the purchases so that, if not the desired balance, at least a tangible improvement in quality and quantity will be reached far earlier. Then the government should decide how much more money than currently projected can be realistically devoted to the defence budget and how much more the defence department can effectively absorb in the short run.

A model fleet

The needs having been analyzed, we now address the questions of desirable force level, fleet mix (how many of each), priorities (which should be acquired in what order, and why) and money.

For all of the reasons outlined at the beginning of this chapter, the specific suggestions about equipment-types and fleet which follow cannot be considered as definitive and are not intended to be recommendations as such. The actual recommendations on equipment the Sub-committee wishes to offer are to be found at the end of the chapter and do not attempt to determine the ultimate configuration of the fleet, but rather to establish a direction.

(a) Desirable force levels and costs.

In the sub-committee's view, the primary aim of Canadian maritime defence policy should be to create a renewed, balanced fleet within twelve years. The policy should take into account both the need for approximately twice as many major weapons-platforms as MARCOM now possesses and the need to compensate rapidly for current lack of capabilities and numbers, while ultimately creating a balanced force.

In determining the costs of its proposals, the Sub-committee has made the assumption that some of the items required — such as the CPF, the follow-on ships, and replacements for the three submarines and ASW helicopters — have already been incorporated into capital-expenditure planning. Costs of other items are considered to be in addition to already planned expenditures. Increased spending is necessitated by the need to rapidly rebuild a critical, perhaps *the* most critical, element of our national defences, which has been allowed to deteriorate to the point that it cannot fulfil its tasks. Money is hard to find, but it must be found for this purpose.

It is suggested that an extra \$550 million per year, in constant 1983 dollars, be dedicated to the acquisition of capital equipment for MARCOM commencing in 1984-1985 and continuing for twelve years. This would total \$6.6 billion by 1996. We consider the annual amount to be affordable by the country. It is an amount that could be efficiently absorbed by DND. It would represent a 7 per cent real increase in the defence budget, a 0.64 per cent increase in the national budget, and an increase in defence expenditures as a percentage of GNP from just over 2 per cent to about 2.2 per cent. This would still leave Canada with the lowest defence expenditures in relation to GNP of all NATO countries except Luxembourg (and Iceland, which maintains no armed forces).