

leader of the members of his party, and that they will adopt today what he said yesterday.

The two questions with which he dealt principally were defence and trade, including markets. I agree with my honourable friend that these may well be two issues in the next election campaign.

Let us deal first with the question of defence. Running through the speech of my honourable friend was the same theme which ran through the speeches of the three members of his party who spoke over the radio, a relating of the total expenditures on defence to 100,000 men in uniform. The radio speakers, I felt, sought to give the impression that by dividing the total defence expenditures by the number of men in the Canadian army one got an average figure of approximately \$11,000 per man, whereas a similar calculation on a similar basis for the American army would show a figure of approximately \$22,000, —which, I suppose, is one way of suggesting that the provision for Canadian soldiers is superior to that for Americans.

Hon. Mr. Haig: The figures were the other way around.

Hon. Mr. Robertson: I will quote from the *Montreal Gazette* an Ottawa dispatch dated December 2:

While United States defence spending was regarded as lavish, the estimated 1952 expenditure for each United States man in uniform was \$10,756, against \$22,035 in Canada. Canada's "liberal" spenders made the Americans "look like pikers when it comes to the cost of defence on the basis of forces in being."

I am not sure just what I said, but that is what I intended to convey.

Hon. Mr. Wood: You reversed the figures.

Hon. Mr. Robertson: That relates the total expense to the number of men in the active force. But that is not what my honourable friend did. He said, as I remember it—and he will correct me if I am wrong—that he thought the total expenditures on defence, including armament and everything else, were too large in proportion to the total number of men that we have in uniform, and that this total might possibly be reduced. His approach is perhaps more difficult to answer than the other one, and this again bears out my contention that he is the leader in his party and is more astute in these matters than are the other parliamentary members of his party.

Now, honourable senators, on the contention that our expenditures per 100,000 men in the active army appear too large, may I say just a word or two? It is no secret, for the minister has stated it time and again, that the basis of our defence force is not a large army, nor indeed a large navy. Owing to

the peculiar circumstances in which we are placed in Canada our emphasis has been on a very large air force, with a striking force of parachute troops, as being the most effective method—if there is an effective method—of defending ourselves against a possible aggressor from the north. The view has been that in this age enough men could not possibly be found to constitute any effective defence in the wildernesses of the north. And of course, when you put your emphasis on an air force, you have to be prepared for terrific costs. Everything pertaining to a modern air force is very expensive. For instance, a sabre jet, which carries only one man, costs about \$300,000. Air fields are another very costly item, as are all the various paraphernalia which have been developed in recent years to lessen the loss of life and to increase the skill of our armed defenders in the air. So of course our total expenditure cannot help being extraordinarily large in relation to the number of men in our army, which has purposely been kept relatively small.

Also, this line of criticism leaves entirely out of consideration the fact that, rightly or wrongly, the government has decided to stockpile against a possible emergency, so that we may not be caught again, as we were in 1939 and at the beginning of the first war, with practically no equipment or even clothing for our troops when mobilized. That is part of the government's policy on defence, and any analysis of the total defence expenditures must take it, as well as all the other relative factors, into consideration.

But there was another point which, in my opinion, was of even greater significance. It remains to be seen whether my opinion on it is right or not. My honourable friend came out quite definitely for deficit financing of our war expenditures. He pointed out the fact that our total outlay on defence is beginning to come fairly close to what it was in the peak years of the last war, and since part of the cost of waging the war was passed on to future generations he thought it would be a good idea to follow a similar policy with regard to our present expenditures on defence. If that becomes the fixed policy of my honourable friend's party, there will be quite a difference of opinion about it. Some will support it, no doubt, and sincerely. But I think it is only fair to say that during the first war we capitalized practically all of our expenditures, whereas, during the second war, the deliberate policy of the government was to capitalize and pass on to future generations only about one half of the expenditure, the purpose being to keep the amount of the war debt payable in the future down to the lowest possible level. There was some criticism of this policy, but it was the policy of the day.