Mr. Brewin: Thank you.

The Chairman: Mr. Stewart?

Mr. Stewart (Cochrane): Thank you, Mr. Chairman. Mr. Golden, I would like to say first of all that after some of the witnesses we have had recently, it is most refreshing to receive you, and I agree with everything you say in your paper. I think the idea of thinking of North American defence in any other context but as of the whole, with both of our countries working together on it, is unthinkable.

You have not spoken about the other phases of our foreign policy and I do not know if you wish to comment on them. You are saying here that: other roles can be added, but not at the expense of the North American one. Would you advocate our leaving the NATO organization and strengthening our NORAD one?

Mr. Golden: I would like to deal with that in a somewhat circuitous way, if I may. This is a very, very difficult question and it is a matter on which I have tried to do some thinking and I am not at all certain that my own view does not change as different factors are fed into the thinking process.

First of all, I believe it is quite proper and appropriate to regard Canadian participation in NORAD as being a contribution to NATO. I am not qualified to get into the very difficult discussions that took place some years ago about whether NORAD is or is not part of NATO, but it seems to me that it would be very difficult to argue that it is not a contribution to NATO. So, I would say that first, that NORAD is a contribution to NATO.

Secondly, I am going on the assumption that we are dealing with finite resources and that those resources within the foreseeable future are likely to be somewhat less in relation to the total resources available to the nation than was the case 12 or 15 years ago. If you were to ask me, what would I think of NATO in relation to a present national defence budget of \$2 billion or \$2.1 billion or \$2.2 billion, I think I would say that I would regard the Canadian contribution to NATO as of very considerable importance. But in relation to a national defence budget of \$1.81 billion, or in those numbers today, then I feel that, of necessity, some downgrading of the Canadian contribution to NATO is going to have to take place. I feel that over the next four or five years, assuming no increase in the defence budget and assuming what has

been going on for so many years escalation in costs and buying less with your dollar year by year—that it would be necessary for Canada to negotiate a substantial reduction of the Canadian forces in NATO.

Mr. Siewari (Cochrane): And I dare say, this would be even more so if we wanted to cut down our defence budget?

Mr. Golden: Yes, indeed.

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Mr. Stewart (Cochrane): I wonder, Mr. Golden, if you would mind commenting on going back to our actual North American defence set up. We have an arrangement with the United States whereby we are pretty well integrated with them, and we have heard from other witnesses—at least it appears to me—that the naval participation by Canada is worthless, that it would require a great deal of money to bring it up to date, and, even then, it is doubtful if its role woul be efficient because of the fact that the American Navy has some difficulty with regard to submarine detection and so on. Could you comment on this aspect? It seems to me that either we would have to spend a lot of money or scrap it, and I would rather lean towards the latter suggestion. Would you like to comment on that?

Mr. Golden: My difficulty is that I am not competent to discuss the technical aspect at all. I really have no idea at all about the efficacy of the naval forces which Canada presently disposes. I never did know very much about it, but the little that I do know is some years out of date.

With respect to the other part of the question, here again it is probably a question of degree. These matters, in my judgment, should be decided jointly. Canada is going to devote very limited resources to these things and it seems to me that we must decide jointly which of these tasks that can be assigned are likely to be performed most effectively by Canadian forces using Canadian equipment. There again, it is a matter of fitting what is, in world terms, a relatively modest contribution into a vast number of tasks, many of which, I suppose it can be argued independently, are of tremendous importance. It is only when you relate them to other tasks, in my view, that they then begin to assume relative importance.

Mr. Stewart (Cochrane): This is exactly what we did with regard to the Air Force, is