

capable of meeting the heavier demands of crisis periods and wartime as well as purely peacetime needs.

The total Hercules fleet should be increased to 45 by 1994 and the Dash-8 fleet to 20 by 1992. ATG should also acquire 20 new search and rescue helicopters by 1998.

Life extension and updating of all Boeing-707s and Hercules now on the inventory should be carried out. This should include re-engining the 707s and upgrading the Hercules engines.

All life-extended or newly acquired aircraft should be equipped with the necessary advanced systems, including modern avionics, electronic defences and inertial navigation systems.

The Dakotas must be retired. The Buffalos, Cosmopolitans and Labradors should be phased out at the end of their current lifespans.

6. *The long term.* At some point the government must choose whether it wants Air Transport Group to remain in the state passenger business or to focus on military airlift roles.

If it decides on the former, then the government will have to replace ATG's Boeing-707s by one of the long-range passenger aircraft available around the turn of the century.

The Committee recommends the latter option. Canada has a very competent national airline which could handle state representational and similar duties. Greater reliance could also be placed on charters from civil carriers for movement of DND personnel, civilians and dependents.

After the year 2000, the Canadian armed forces will require new military transport aircraft. In anticipation, the government should seek Canadian participation in the Future International Military Airlifter (FIMA) project as well as encourage development of the augmented-wing Hercules.

Budgets

7. The Committee strongly recommends that DND's budget should be for defence purposes only. When the Department is required to carry out additional duties beyond levels required for essentially military purposes, these should be covered by other funds.

Civil resources

8. Prompt action should be initiated to permit the requisitioning of civil aircraft in times of emergency and to encourage the participation of civilian air and ground crews in the common defence effort. New emergency legislation is urgently required, government management systems should be strengthened, and government-industry co-operation enhanced.