

The entire modernization programme will cost approximately \$7 billion. The estimated cost of the NWS is \$1.29 billion. Canada will assume 40 per cent of the cost (\$511 million) and the United States 60 per cent (\$777 million). This 60/40 cost sharing relationship will also apply to the operation and maintenance costs of the system.

On 19 March 1986 Prime Minister Brian Mulroney and US President Reagan renewed the NORAD agreement for a further five years. No changes were made in the agreement.

Current Canadian Position

As part of the Canadian support for NORAD and the air defence modernization agreement signed with the US, the Minister of National Defence, Perrin Beatty, announced that Canada would be building five new airfields in northern Canada. These airfields will be used by NORAD interceptor aircraft to respond to unidentified aircraft detected by the North Warning System (NWS). The airfields will be located at Inuvik, Yellowknife, Rankin Inlet, Iqaluit in the North West Territories and Kuujuaq in Quebec. The cost of the programme will be shared equally with the US. Mr. Beatty stated:

These northern airfields will be a joint NORAD project with both partners involved. This is an essential element of the air defence modernization project previously announced.¹

The Defence White Paper, tabled in the House of Commons on 5 June 1987 outlines the various projects undertaken in the North American Air Defence Modernization Program and announced that Canada would participate in the US Air Defense Initiative (ADI). The Paper also outlines research programmes

¹ DND, New Release, 21/87, 11 Mar. 1987.