

*Supply—National Defence*

than paying attention to some of the other problems that are creeping in through the back door.

In that connection I want to quote from an article written by Dr. Thomas Balogh, of Oxford University, one of Britain's leading economists, in which he says:

No longer can we think of the Soviet threat as a vast horde of (slightly comical) Mujiks, poised to be driven forward by a ruthless dictatorship. No longer can the Americans derive solace from the fact that only through subversion and treason can the U.S.S.R. obtain the know-how on which survival in war and victory in peace depends. The attraction to non-committed areas radiating from the Soviet technical achievement, based on their own effort alone, begins to be apprehended.

The fact is that in a period of unexampled prosperity and full employment, the west—except for Germany—has not proved capable of matching Soviet technical and economic progress. Each year the Soviet over-all growth—including the weak spot of agriculture—has been showing an increase of from 6 to 10 per cent over that of the previous year. Their industrial expansion seems to have been even faster, perhaps as high as 11 to 12 per cent or more. In other words, Russian national output can be expected to double every 12 years or so.

This pace compares with an increase of United States manufacturing capacity of roughly 5 to 6 per cent annually since the war (except for the dip in 1949) and with a similar increase in Britain (interrupted in 1952-53 and about to slow down again). Over-all production in the west has increased much less—between 2½ to 4 per cent.

I think that reveals the real nature of the problem we are facing. I believe it is the explanation of the unilateral decision of the Soviet union to disband some 1,200,000 men. I believe that decision was based on two assumptions. The first was that the day of the conventional army is over and that the next war is going to be fought with these fearful thermonuclear weapons; and second, the men now in the armed forces of the Soviet union—at least that number of them they propose to disband—are badly needed in the Soviet industrial machine to increase this astonishing rate of progress quoted by Dr. Balogh. I think in Canada perhaps we had better make up our minds as to whether or not we can go on playing in the military world to the very expensive tune to which we have been playing over the last few years with absolutely no discernible results in effective defence, or whether or not we should turn our attention to the Soviet industrial development.

In this connection we should remember that the peoples of Asia and Africa are watching us, and they are not particularly impressed with the development of military weapons. They are more impressed with evidence in terms of human life within the rival areas of the world. If we could develop our area as one with terms that would constitute a model to be emulated, then it seems

to me we should have gone a long way toward saving parts of Asia and Africa from falling within the scope of Soviet communist influence.

However, that is a problem and a question for the government of the day to decide, as to where we are going to devote our energies and our resources. But I will say this. If we propose to continue with the production of military equipment; if we propose to take a real and effective part in the defence of North America, which we are not doing today in any sense at all; if we propose to take an effective part in the policing service of the United Nations, then we shall have to do so on a realistic basis and not on the basis we have today.

We have to face the fact that at the present time we have not developed, and the minister this afternoon has been unable to give us any evidence that we have developed, the sort of military weapons that are of any consequence at this particular stage in the world's history. At the present time what we are being asked to endorse in this house is nothing more nor less than wanton waste of public funds and the resources of this country. I suggest to you, sir, that the people of Canada are going to want to have rather more conclusive evidence from the minister that he is spending their money wisely, and in the process of spending it is actually developing some military defence for this continent, than he has exhibited.

It may be, of course, that the government is not really proposing to spend this 1½ billion they are asking from parliament this year. It may be they are merely asking for it in order to be able to ask for far less next year, when it will be more convenient to ask for less. I do think, sir, the time has come when the people of Canada and the government of Canada have to take a long look at this whole military situation and make up their minds once and for all whether a nation of the stature of Canada, great as our industrial resources are and great as our wealth in skilled manpower is, can actually in this day and age play a significant role in the military world.

I myself am dubious that we can do so. I am convinced at least that we can only do so as auxiliary to the efforts of our allies, in particular the United States and Great Britain, and that we can give limited aid in the provision of research work or possibly some minor future developments. Certainly we cannot hope to take part in the sort of game that is now being played by the United States and the Soviet union, a game of astronomical costs.

[Mr. Cameron (Nanaimo).]