

*Supply—National Defence*

asked them why they left the forces. Their reason was dissatisfaction with what is going on; they did not know what the future held for them. Believe you me, Mr. Minister, if this is not a morale problem I do not know what else you could call it. There is something very wrong indeed when there is this sort of increase in voluntary releases, as the associate minister pointed out.

• (5:40 p.m.)

There is one other point I should like to make. Both ministers have commented on the tremendous economies effected as a result of this integration of the armed forces. I am sure there are many areas in the armed forces which for many years have required integration. I certainly agree with this and the general tenor of what has been done.

However, when I look at the estimates at page 252, it seems to me, though I am not a chartered accountant and perhaps cannot understand this, that instead of a decrease in 1965-66 over 1964-65 there are increases all the way down. I see one decrease, and that is with respect to mutual aid.

I would ask, what about this efficiency we keep hearing about? I also see a decrease in pensions, due to efficiency I presume. But in every other item there is an increase, with perhaps one exception. The amount of money paid for the permanent personnel of the army has increased, and the navy is about the same. If I remember correctly, the amount to the air force has gone down, which is directly related, I presume, to the number who have left the air force as a result of voluntary release and other releases practised by the minister in his wisdom.

I would ask the minister whether he would consider looking very carefully once again at the loss of these highly trained personnel. I do not think the Canadian tax dollar should be used to provide men to fly aeroplanes in any other country than our own. This is something that I am sorry to say extends to other fields in our country as well as national defence; but surely it is something to which we should not turn a blind eye. I suggest we examine this problem as closely as possible to see what we can do to retain these highly trained people. Although the re-engagement bonus is a wonderful idea—and I agree with the hon. member for Victoria (B.C.) that it is not enough—this is surely closing the stable door after the horse is stolen.

I should like the minister to look into the reasons for this and perhaps come up with some conclusion which would be to the benefit of all armed forces in Canada today.

**Mr. Herridge:** Mr. Chairman, I do not intend to speak at any length but I do want to express our point of view on one or two matters.

First of all, the minister's defence policy reflects our Canadian foreign policy, and he has to adjust his defence policy to our foreign policy. To that extent his hands are tied, and we know it. We give the minister full credit for any savings accomplished as the result of integration, changing circumstances in the world today, improvements in technology and customs, and so on.

However, from our point of view the formulation of defence policy for Canada is more difficult than it is for many countries. Our defence policy, as we see it, in some respects does not add to our national security.

I want to bring to the attention of the minister an article I read recently in the *Globe Magazine* written by Professor Eayrs, an economist at Toronto University. I suggest the minister would be well advised to read it, because there are some good suggestions in this article, some of them critical of the defence department's policies. I think there is a great deal of thought behind it.

I might say that in conversations I have had with people I have met who are interested in our foreign policy, our defence policy and so on, there has been growing criticism of the amount of our expenditures on defence at this time—the expenditure in our budget which has been going directly for military purposes and which is not being used in other directions.

This article is entitled "Canada's military establishment: a waste of money?" Then there is the subheading:

Politics, rather than strategy, has guided the nation's defence policies, says a political economist who suggests military spending could be cut by two thirds.

I should just like to quote two or three paragraphs from this article; I hope the minister will read the rest of it.

I began by stating that the formulation of national security policy is made more difficult for Canada than for most other countries by the fact that what we do in the name of our own security demonstrably does not contribute to our security. Our contribution to North American defence has been undertaken largely for political reasons, and has had less to do with Canadian-Soviet relations than with Canadian-American relations: moreover,