The result is that it's costing DND millions of dollars to keep some bases that are not needed to do the job efficiently and effectively. Just as important, these bases must be manned by personnel who could otherwise be employed in "sharp-end" units. I intend to recommend to the Minister that a number of bases be either closed or reduced in size. Most businesses in today's economic climate are examining their posture in the same way. In this fashion, I shall save on operations and maintenance costs, as well as identify surplus establishment positions, which may then be transferred to where they are now urgently required.

The Cabinet may not necessarily accept all of the base-closure or -reduction proposals recommended. This is understandable, because my recommendations will be based on purely military requirements, without regard to the other factors that must be considered by the Government. However, if, for these other reasons, the Government does not accept all my proposals, then, of course, I am sure they will be prepared to adjust the Department's budget so that we can maintain the operational capability agreed on.

I should like to mention one further point on this subject. I've seen a lot of criticism in the media to the effect that our regular force 78,000-man establishment is too small for the needs of the country. Of course, as CDS I should like to have 780,000 men, but I'm a realist. The fact is we have 78,000 men and women now. I believe I can properly serve the country with only a minor increase.

Simply stated, I need about 1,500 more men at the "sharp end" of our Forces. But I cannot go to the Government and say "Give me an additional 1,500 men" until I have done everything possible to ensure that we are using every man in the most efficient way possible. That is, I must eliminate the merely desirable and keep only the essential functions fully manned. If I find, after I have done this, that, for example, 500 more men are still needed, then I shall approach the Government to advise them of our additional requirements. I am confident that they will respond favourably to my request.

Now I should like to share with you some of my thoughts on how the forces could be "postured" more efficiently. Before I do, I should remind you that these are matters that are under study and that these studies are not complete. Already some of the options have been well presented in the press and on television over the past month or so. What I shall be discussing are variations on these options (and I shall be quite prepared to discuss any ideas you have in the question period after).

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