BUSINESS COUNCIL ON NATIONAL ISSUES

NATIONAL SECURITY
AND
INTERNATIONAL RESPONSIBILITY

A REASSESSMENT OF CANADIAN DEFENCE POLICY

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FOREWORD

The defence of Canada's national interests and the participation by Canadians in the advancement of global security are concerns that should preoccupy all Canadians.

In this second major paper on Canadian defence policy in less than three years, the Business Council on National Issues underscores once again the need for a credible national defence policy and for a more vigorous participation by Canadians in the collective security of the West.

The paper, entitled National Security and International Responsibility, is the culmination of over eighteen months of research, analysis and fact-finding on the part of the Council's Task Force on Foreign Policy and Defence. It reinforces the basic rationale of the 1984 Council paper Canada's Defence Policy: Capabilities Versus Commitments which concluded that Canadian military capability had seriously deteriorated in the 1960s and 1970s, and that Canada could no longer meet its national and Alliance commitments.

The current paper makes the case for an overall security policy for Canada. It assesses the country's current defence commitments and the serious "commitment-capability gap" confronting the country's armed forces. Manpower requirements and national preparedness are examined in the context of an effective security policy. The case is made for a more effective and uniquely Canadian viewpoint on strategic and arms control matters. The important and mutually reinforcing links between Canada's security and Canadian sovereignty are discussed. Finally, the complex questions of the cost of Canadian security, and the priority which security policy should receive, are addressed.

The paper emphasizes a view long held by the Business Council -- that a credible and coherent security policy would strengthen the nation's defences, enhance Canadian sovereignty, and reinforce the cause of collective security and international peace.

In making this paper available to Canadian policy-makers and to the public at large, the Business Council is seeking to promote broad awareness and discussion of defence and security policy issues. The completion of this paper at this time coincides with the imminent release of a federal government White Paper on defence policy. The Business Council welcomes the federal government initiative and looks forward to assessing the government paper as part of the Council's contribution to the evolution of a sound and workable defence policy.

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THE BUSINESS COUNCIL ON NATIONAL ISSUES

As the senior voice of business in Canada, the Business Council is the means by which leaders have chosen to contribute personally to the development of public policy and to the shaping of national priorities.

Its members are the chief executive officers of 150 leading Canadian corporations. With about 1.5 million employees, these companies administer over $700 billion in assets and generate more than $250 billion in revenues.

The Council is a non-partisan organization with a fourfold focus -- to help build a strong national and international economy, progressive social policies, healthy political institutions, and a more secure Canada.

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Former Deputy Minister
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EXECUTIVE SUMMARY

In its second major paper on Canadian defence policy, the Business Council forcefully argues for the need for Canada to strengthen its commitment to national and collective security. In this respect, the present paper reinforces the basic rationale behind the Council's 1984 paper Canadian Defence Policy: Capabilities Versus Commitments. It also goes further by placing defence policy in the broader framework of security policy and by raising various issues not specifically addressed in our 1984 paper - notably that of Canadian sovereignty and the need to enhance Canada's profile and influence within the Western Alliance. A brief summary of the general comments and conclusions contained in the various sections of the paper is set out below.

THE NEED FOR REVIEW

This first section of the paper briefly considers why a review of Canadian security policy is needed. Essentially, four points are made. The first is the fact that Canada's existing security policy remains based on the defence White Paper released some 16 years ago. Second, the international strategic environment, and the threat to North American security, have evolved considerably since the early 1970s. Third, Canada's armed forces remain seriously over-extended as a result of neglect in the late 1960s and early 1970s. Finally, growing recognition of the security implications of various government policies has underlined the need for an integrated security policy framework.

A SECURITY POLICY FRAMEWORK

As its title suggests, this section sets out a number of objectives that the

Council believes Canadian security policy should strive to attain. These include the following:

- Encourage greater public understanding of security issues and support for Canada's defence program.
- Strengthen Canada's sovereignty and independence.
- Promote the cohesion and effectiveness of NATO and Canada's influence within the Western Alliance.
- Promote verifiable arms control, the peaceful settlement of disputes, and the rule of law.
- Encourage the development of a viable defence industrial base.
- Ensure that Canada's commitment to collective defence is comparable to that of its NATO allies.

THE DEFENCE OF THE NATO AREA

The NATO Area is treated as one strategic area in which Canada's contribution to the defence of Western Europe, the North Atlantic and North America are examined in turn.

European Commitments

Canadian defence obligations abroad, it is argued, are a vital expression of Canada's commitment to collective security and a free and secure Western Europe is critical to Canada's own security. While Canada therefore has an important role to play in Europe, this section underlines the need to streamline and consolidate Canada's commitments abroad with a view to enhancing their military viability.

Maritime Commitments

This section stresses the strategic importance of Canada's maritime commitments, particularly the role they play in collective efforts to defend the ocean approaches to North America and protect critical reinforcement and resupply routes across the Atlantic to Europe. Protecting these supply routes is vital if NATO is to be in a position to effectively fight a sustained conflict in Europe. It is argued, however, that Maritime Command's existing forces are seriously deficient in terms of being able to credibly perform either of these roles.

NORAD Commitments

This section underlines the need to enhance Canada's contribution to continental aerospace defence in view of the growing threat to North America posed by Soviet cruise missiles and bombers, the emerging strategic value of Canadian territory, and heightened American interest in space and space-based defence and surveillance systems.

MANPOWER REQUIREMENTS AND TRAINING.

Well-trained and well-equipped regular and reserve forces are critical to the successful performance of Canada's defence commitments and the viability of NATO's deterrent forces. Reserves are essential not only to sustain regular troops abroad in any future crisis, but to directly defend Canada in time of war. They also play a vital role in generating public understanding and support for government security policy and security policy issues. This section therefore stresses the need for Canada's regular and reserve forces to be significantly expanded.

NATIONAL PREPAREDNESS

This section underlines the importance of a nation's ability to mobilize military and civilian resources in the face of national or international emergencies. It argues that national preparedness is critical to the sustainment of Canadian defence commitments in Europe and North America and to the credibility of Canada's deterrent posture. It goes on to underline the need for Canada to set out a detailed rapid mobilization plan and to adopt a comprehensive approach in planning for the mobilization of military and civilian resources.

A CANADIAN PERSPECTIVE

Canada's credibility within NATO has been undermined by its failure in recent decades to attach the same priority to its defences as the majority of its allies. Its apparent reluctance to forge its own perspective on important questions of strategy and arms control has also detracted from its influence within the Western Alliance. This section of the paper argues that a greater effort by Canada to more clearly define its own perspective on the broad issues of Western security - and to present and explain that position publicly - would ultimately benefit both Canada and the Alliance.

SECURITY AND CANADIAN SOVEREIGNTY

In this section, the paper attempts to set out the links between Canada's national security and the politically-sensitive question of Canadian sovereignty. In this respect, it makes two fundamental points. First, that a credible defence posture would directly reinforce the armed forces' ability to exercise surveillance and control over Canada's territory, airspace and coastal

waters and more than enable Canada to deal with potential sovereignty encroachments. Second, it argues that by contributing to international peace and stability, an effective Canadian security policy would indirectly enhance the preservation of Canada's national interests.

CANADA'S SECURITY: A QUESTION OF PRIORITIES

Rebuilding and maintaining Canada's armed forces - neglected for some two decades - should be high on the government's political agenda. Continued neglect of our national defences will only further undermine Canada's reputation and influence abroad and lead to even heavier expenditures in the future. This section underlines the need for a higher real growth rate in defence spending and suggests that current government expenditures be reordered to make a greater defence commitment possible.

The paper concludes by pointing out that Canada's national security depends on deterring war and that deterrence inevitably means a credible defence posture. It reiterates the need for a distinct Canadian voice on strategic and arms control matters and the link between a credible security policy and the enforcement of Canadian sovereignty. In the final analysis, the paper suggests, Canada's commitment to collective security is a question of national self-respect and international responsibility - and ultimately one of defending freedom.

TABLE OF CONTENTS

BACKGROUND

Traditionally, few groups in Canada have devoted much thought to defence policy. Nevertheless, as members of the Business Council on National Issues, Canada's senior business leaders are uniquely situated to make an effective and responsible contribution to this important area of our national life. In recognition of this fact, and in keeping with its mandate to exercise leadership in discussions of key public policy issues, the Council appointed a Task Force on Foreign Policy and Defence in 1981. Composed of chief executive officers from a wide variety of companies, the task force undertook an extensive review of Canada's defence commitments and capabilities over a three-year period. Research and analysis was initiated, and Task Force members engaged in an active program of fact-finding. They visited the headquarters of the North Atlantic Treaty Organization (NATO), the Supreme Headquarters Allied Command Atlantic (SACLANT), the Supreme Headquarters Allied Powers Europe (SHAPE), the headquarters of the North American Aerospace Defence Command (NORAD) in Colorado Springs, and the Joint Chiefs of Staff and other officials of the Departments of Defence and State in Washington. Briefings were organized by the Department of National Defence and other departments in Ottawa. The Task Force also held meetings with non-governmental groups involved or interested in the peace movement, disarmament issues and arms control.

In September 1984, the Business Council released a major position paper entitled, Canada's Defence Policy: Capabilities Versus Commitments. The paper concluded that Canadian military capability had seriously deteriorated in the 1960s and 1970s and that Canada could no longer seriously meet its

military obligations. The Business Council consequently proposed a detailed 10 - 12 year plan designed to bring Canadian military capability up to a level commensurate with the country's defence commitments.

The present discussion paper, National Security and International Responsibility, is concerned with the need for an overall Canadian security policy. The first part of the paper examines, briefly, why a review of Canadian security policy is necessary. In the second, the Council sets out a number of basic principles an effective security policy should reflect. The next section is devoted to a discussion of Canada's defence commitments and the serious "commitment-capability" gap confronting the country's armed forces. The questions of manpower requirements and national preparedness are then examined in the context of an effective security policy. The fourth section of the paper considers why Canada should effectively articulate a uniquely Canadian viewpoint in strategic and arms control matters. The important and mutually reinforcing links between Canada's security and Canadian sovereignty are then discussed. Finally, the thorny question of the cost of Canadian security, and the priority which security policy should receive, is addressed.

The Business Council believes that a credible and coherent Canadian security policy will promote the cause of national and international stability and reinforce Canada's sovereignty. In releasing this discussion paper, the Council hopes to make a timely and meaningful contribution to the current debate over the future direction of Canadian defence and security policy. The recommendations contained in this paper, however, are not intended to be the "last word" on the subject. Their intent, rather, is to promote public

awareness and discussion of defence and security policy issues. Ultimately, only an informed public can ensure that an effective security policy becomes a priority item on the Canadian political agenda.

THE NEED FOR REVIEW

The Business Council believes that a general review of Canadian security policy is warranted on a number of counts. First, periodic review of any policy is prudent. A policy that is ill-adapted to current circumstances is likely to fall increasingly short of the objectives it was designed to attain. Canada's existing security policy, however, remains based largely on the defence White Paper released in 1971. No public reassessment of Canadian security interests or objectives has been made in over 16 years. Nevertheless, in that time, the international strategic environment, and the strategic threat to North America, have changed profoundly. NATO countries once maintained nuclear superiority over those of the Warsaw Pact. Now, however, NATO's nuclear advantage has disappeared. At the same time, a distinct Soviet advantage in conventional forces remains. The nature of the strategic threat to North America has also become considerably more complex. Soviet bombers equipped with long-range air-launched cruise missiles have recently joined the Soviet air force. Supersonic long-range bombers, similarly equipped, are expected to enter into service in the near future. Such developments compound the threat already posed by Soviet ballistic missile and cruise missile carrying submarines. Needless to say, the importance of Canada's role in maintaining the credibility of the American nuclear deterrent - upon which Western security ultimately depends - has grown considerably.

The fact that Canada's armed forces have yet to recover from serious neglect in the late 1960s and early 1970s also points to the need for review. Despite the higher priority attached to the forces in recent years, the cumulative effect of years of neglect has seriously undermined Canada's ability to meet its Alliance obligations. Moreover, Canadian defence spending, as a percentage of GNP, remains among the lowest in NATO. Today, most knowledgeable observers agree that Canada's armed forces are seriously over-extended. The wide gap between commitments and capabilities seriously threatens Canada's ability to sustain its commitments over time. As a result, Canadian security, Canada's credibility within the Alliance, and its subsequent influence over Alliance policies are inevitably jeopardized.

A review of Canadian security policy is also dictated by the need for an integrated security policy framework. Too often, security policy is viewed solely in terms of defence policy. Yet many major government policies - both domestic and international - have important security implications. The need to ensure coordination of defence and arms control policies is particularly evident. Ultimately, if Canadian security policy is to be effective, the disparate policies which affect Canada's security will have to be brought into a coordinated whole.

A SECURITY POLICY FRAMEWORK

The first step in formulating a new security policy for Canada must be to establish an overall policy framework. What general principles should it be designed to reflect? What broad objectives should it strive to attain? The Business Council suggests that an effective Canadian security policy should:

- **Encourage greater public understanding of security issues and support for Canada's defence program.** If Canadian security policy is to be effective, it must, ultimately, enjoy the support of the Canadian population. Without such support, no policy is likely to be able to command the resources necessary to make it viable. The key to generating support for defence and security policy is greater public understanding of Canada's security interests and of the issues that affect them. The Business Council believes that Canadian security policy should inform and educate Canadians on matters of national and international security and promote public understanding of how government policy is designed to protect and advance Canada's security interests.

- **Strengthen Canada's sovereignty and independence.** An effective Canadian security policy should enhance Canadian sovereignty in at least two vital respects. First, directly, by reinforcing the ability of the armed forces to exercise surveillance and control over Canadian territory, airspace, and coastal waters, and second, indirectly, by promoting a stable and peaceful international environment congenial to the preservation of Canada's national interests.

- **Promote the cohesion and effectiveness of NATO and Canada's influence within the Western Alliance.** Since Canada cannot presently defend itself - nor is it likely to be able to do so for the foreseeable future - the Business Council believes that it can best contribute to its own security by contributing to international security in cooperation with other Western nations with which it shares similar values. By combining the

defensive strength of its members, NATO not only deters aggression against any one of them, but preserves the peace and security of all. The Council therefore rejects calls for a neutral Canadian foreign and defence policy. Given Canada's strategic location between the superpowers, its small population, and its vast geography, neutrality would provide no guarantee that this country could avoid external aggression in time of hostility. Nor would it enable Canadians to significantly reduce their present commitment to defence, as proponents sometimes claim. Indeed, "neutral" countries such as Sweden and Switzerland, which nonetheless benefit from NATO's implicit protection, devote a significantly greater proportion of resources to national defence on a per capita basis than does Canada.

Through NATO, Canada is also potentially able to wield a much greater degree of influence over Western security policy than it could acting alone in the international sphere. Moreover, it gains access to a wealth of scientific, technical, and intelligence information it would not otherwise enjoy. Canadian security policy should therefore be designed to promote the continued viability of NATO and enhance Canada's influence over Alliance decisions.

- **Promote verifiable arms control, the peaceful settlement of disputes, and the rule of law.** Since Canada's security depends, in the final analysis, on preventing war, the Business Council believes that Canadian security policy should encourage negotiations in the field of arms control while reinforcing the credibility of existing arms control agreements, particularly between the superpowers. At the same time, it should work

to ensure that arms control considerations are an integral part of Alliance strategic planning. Ultimately, it should encourage the elimination of war as an instrument for settling disputes among nations.

- **Encourage the development of a viable defence industrial base.** Effective deterrence requires defence preparedness. Critical to defence preparedness is the ability of a nation to provide the industrial support needed to sustain a credible military effort in time of crisis. The Business Council therefore believes that Canadian security policy should ensure that Canada's armed forces have secure, assured sources of critical operational supplies and work toward creating a viable market economy in each essential sector of the defence industry.

- **Ensure that Canada's commitment to collective defence is comparable to that of its NATO allies.** The Business Council believes that Canada's defence effort must be commensurate with the country's economic strength and international standing if it is to command the support and respect of Canada's allies. At the same time, it must be relevant to collective defence needs.

CANADIAN DEFENCE POLICY: TAKING STOCK

The foundation of any credible security policy is, ultimately, a credible defence policy. A viable defence posture is not only necessary to deter a potential aggressor, but to enable a country to effectively respond to aggression should it occur. Defence and deterrence are intimately and inextricably linked. Unfortunately, the credibility of Canada's present defence

posture - as the current defence policy review suggests - is seriously in doubt. Indeed, echoing the results of the Business Council's 1984 defence study, the Special Joint Committee on Canada's International Relations recently concluded that Canada's existing defence commitments could not reasonably be fulfilled with present military resources.[1] In fact, Canada's commitment to its armed forces has declined dramatically in the past two decades (see section in which defence spending is discussed). Nevertheless, the range of defence commitments Canada is expected to fulfil remains essentially unchanged. Within NATO, the geographic scope of Canada's commitments is second only to that of the United States.[2] Not surprisingly, the question of Canada's ability to meet its present commitments has been raised with increasing frequency and concern.

The various security commitments which Canada's armed forces are called on to fulfil can perhaps best be described and discussed under two general headings: defending the NATO area and international peacekeeping. Defending the NATO area involves those commitments which are performed in the collective defence of Canada, North America, the North Atlantic, and Western Europe. International peacekeeping commitments pertain to Canadian participation in peacekeeping operations under the United Nations Charter and other international arrangements. Canada's armed forces also play an important sovereignty protection role - exercising surveillance and control over Canadian territory, coastal waters, and airspace. This latter role is addressed in a subsequent section of the paper.

The Defence of the NATO Area

European Commitments

While Canadian troops have been continuously stationed in Europe since

1951, Canada's military presence abroad was sharply reduced in the wake of the sweeping foreign policy and defence review of 1968-69. Stationed troop strength was slashed from 10,000 to 5,000 while the air component was reduced from six to three squadrons. These reductions reflected, on the one hand, Canada's conclusion that its NATO partners in Europe could now provide a greater proportion of the conventional forces needed for their defence given the dramatic improvement in their respective economies since World War II.[3] On the other hand, they bore witness to the harsh reality of government-wide financial restraints and the perceived need to place increased emphasis on Canadian interests at home.[4] They also inevitably testified to the general climate of optimism that reigned at the time surrounding prospects for East-West détente and the conclusion of significant arms control agreements governing nuclear and conventional force strengths in NATO and the Warsaw Pact. While some limited arms control agreements were achieved, the forecast of lower international tension, unfortunately, was not borne out. Indeed, continued increases in the size, effectiveness, and technological sophistication of Warsaw Pact forces gave rise to serious imbalances in conventional forces, theatre nuclear, and chemical warfare systems vis à vis NATO. These imbalances need to be borne in mind in approaching the question of Canada's future commitments and force posture in NATO Europe.

Canada's existing European defence commitments can be summarized as follows:

(A) ARMY

1. Stationed Forces - a reduced (mini) mechanized

	in the Federal Republic Germany		brigade group located in the Central Army Group area and based at CFB Lahr and CFB Baden-Sollingen.
2.	Mobile Forces based in Canada	-	an infantry battalion group to the ACE Mobile Force (Land) NORTH.
3.	Deployment Forces based in Canada	-	an air-sea transportable brigade group for deployment to the Northern Norway sector of Northern European Command in times of increased tension.

(B) AIR FORCES

1.	Stationed Forces in the Federal Republic Germany	-	an air group of three Squadrons (54 CF18 aircraft in conventional attack role) located in 4th Allied Tactical Air Forces Zone of responsibility on two air bases, CFB Lahr and CFB Baden-Sollingen.
2.	Mobile Forces based in Canada	-	one rapid reactor CF-5 tactical air squadron to ACE Mobile Force (Air) NORTH (to be converted to CF18 in 1988).
3.	Deployment Forces based in Canada	-	two rapid reactor CF-5 tactical air squadrons for deployment to Northern European Command (includes (b) above), (to be converted to CF18 in 1988).
4.	NATO Airborne Early Warning Force	-	a contribution of approximately 160 personnel, capital and a share of operating and

maintenance costs for an 18 aircraft multi-lateral force composed of personnel from 11 NATO nations.

(C) GENERAL

A Canadian Forces Europe (CFE) Headquarters and a contribution of a reduced number of personnel to NATO integrated staffs and communications agencies.

While the number of Canadian commitments in NATO Europe is significant, Canada's overall commitment is now much smaller than in 1964. It has also been made more difficult to fulfil by the geographic separation of our commitments on the Northern Flank and Central Front and by restrictions on stationed forces in peacetime which apply in Norway and Denmark. It is also important to note that the strengths of stationed forces have been arbitrarily restricted for some years. Until 1985, both 4CMBG and 1CAG were limited to 58 percent of their war establishments. The 1985 decision to reallocate 1200 military positions from Canada to 4CMBG, and to add 275 positions to 1CAG related to the CF18 programme, has raised the manning level of combat and combat supports units to about 85 percent of war establishment, but service support base units are still very much understrength.

In terms of sheer size, Canada's military presence in Europe is relatively small. The total number of Canadian troops stationed abroad - some 7,160 - represents less than 1% of total NATO forces of over 2 million. Similarly, the number of CF18 aircraft represents only about 2.3% of allied strength. On the tactical level, however, the contribution of Canada's forces - though minor - is not insignificant. The Mechanized Brigade Group represents a significant

proportion of Central Army Groups reserved for counter attack and has clear emergency defence roles in the forward areas with both US7 Corps and FRG 2 Corps. Canada's CF18s are also important in what is a negative air situation for NATO vis à vis the Warsaw Pact. The withdrawal of either of these elements would have much greater impact in the Alliance than their numbers alone would suggest.

While the strategic military value of Canada's commitments abroad is limited, their political and symbolic significance is difficult to overstate. Canadian land and air forces in Germany are a highly visible expression of Canada's support of NATO and inevitably serve to bolster Canada's credibility within the Alliance. Moreover, like those of the United States, they are a concrete demonstration of the North American guarantee to defend Europe in time of rising tension or aggression - a guarantee our European allies would not want eroded. As the 1971 White Paper noted:

> Canada's decision to continue to station forces in Europe, and to designate other forces in Canada for Europe in the event they should be required there, constitutes a tangible expression of Canadian support for the principle of collective security in the North Atlantic area.[5]

Moreover, Canadian forces abroad serve to reinforce the viability of NATO by strengthening transatlantic ties and fostering greater communication between NATO allies.

Canada's CAST (Canadian Air Sea Transportable) Brigade Group, and related rapid reactor tactical fighter squadron, is considered by many to be Canada's most significant commitment to NATO Europe. Northern Norway

controls access from the Kola Peninsula - where the Soviet Northern Naval Fleet is stationed - to the vital Atlantic sea lanes NATO would use to reinforce and resupply Europe in the event of war. The defence of Norway is therefore seen by many as the key to any conceivable NATO strategy for successfully fighting a sustained conflict abroad. Large amounts of material and major numbers of reinforcements from the United States and Canada would be required at the outset of hostilities and to sustain troops once they reached Europe. The control of Atlantic supply lines also plays a critical role in preventing the outbreak of nuclear war, which could occur if NATO was faced with the possibility of a conventional defeat.

In spite of its strategic value, there is grave doubt that the 20-year old CAST commitment - at least as currently structured - could ever be effectively carried out. In fact, Canada has tested it only once. Operation "Brave Lion" of September 1986 - the largest movement of Canadian troops and equipment since World War II - underlined the serious logistical difficulties involved. Since Canada currently lacks the capability to move large vehicles and necessary quantities of equipment, ammunition and supplies to Norway by air, most of the 5,500 members of the CAST Brigade and their equipment must be transported by sea. All told, some three weeks' preparation and sailing time are required before troops and equipment actually reach their destination. In view of this considerable delay, a number of military strategists doubt that the CAST Brigade group could be effectively deployed before war occurred in Europe.

This is not to suggest, however, that the CAST commitment could not be fulfilled if it were configured differently. If the CAST brigade's equipment

were prepositioned in Norway like that of the US Marine Brigade, for example, the movement of personnel could be carried out by both military and civil airlift well within the SHAPE criteria for deployment. Moreover, the brigade group units could train on the equipment in Norway in peacetime and achieve greater combat effectiveness than under the present system. It should also be pointed out that the problem of deploying to the Northern Flank in the event of rising tension is, essentially, no different than that posed on the Central Front - both are dependent on SACLANT'S ability to control vital transatlantic sea lanes. The case for or against CAST, in the final analysis, is not whether it can be done, but whether Canada is willing to provide the resources necessary to do it effectively.

The Business Council believes that if Canadian Forces cannot be funded, manned and equipped to the level necessary to fulfill the first thirty days requirements of all existing commitments, and have a base for mobilization, Canadian commitments should be adjusted. Nevertheless, Canada should not diminish its overall commitment to NATO. Its aim, rather, should be to provide the most effective contribution to the defence of NATO Europe, and the Canada-United States Region, that its limited military resources permit. In this respect, a number of possibilities exist. One is to withdraw from either the Northern Flank or Central Front entirely, concentrating Canada's forces in one of these two areas. Alternatively, Canada could concentrate forces in one area while retaining commitments in the other. Finally, it could consider redeployments of components from Canada to Europe or vice versa. Wherever Canada chooses, ultimately, to remain involved, the Council believes that its decision should not result in a greater strategic risk to the NATO mission or contribute to the maldistribution of NATO forces.

The Council's own analysis suggests that Canada should concentrate its efforts in one of the above areas - providing another ally will assume our responsibilities in the area vacated. Focusing on either the Northern Flank or Central Front would ensure that Canada has the necessary manpower and equipment to fulfil its assigned missions effectively and significantly reduce the logistics and administrative overhead of Canada's deployed forces. For national interests, including strategic defence reasons, the Council believes that Canada must remain involved on the Central Front. While there are several reasons for wishing to retain a link to the Nordic allies, it is evident from an overall political, economic and military perspective that Canada's principal area of concentration should be Central Europe. Nevertheless, the Council believes that other allied forces must be made available to offset any Canadian withdrawal from the CAST commitment. Similarly, Canada should offset any reallocation of forces from the Central Front brought about by the Canadian redeployment.

The Business Council believes that a Canadian military presence in Europe is a vital expression of Canada's commitment to NATO and that Canada should continue to play a direct military role abroad. A free and secure Western Europe remains critical to Canadian security since any European war would quickly escalate to worldwide proportions. Moreover, in a world where democracy in Western Europe was extinguished, the security of both Canada and the United States would be jeopardized. Nevertheless, in the final analysis, the Council believes that Canada's commitments to NATO Europe must be credible - both within the Alliance and, more importantly, to the countries of the Warsaw Pact. The Council therefore believes that current European commitments should be streamlined and consolidated with a view to enhancing their military viability. Specifically, the Council recommends:

- That the existing commitment of a CAST Brigade Group, a battalion group to AMF(L), and the two rapid reactor squadrons be cancelled. The Council notes, however, that should Canada desire to retain a link with Norway and Denmark, the AMF(L) infantry battalion group commitment could be retained as much of the equipment for this airlifted group is already pre-positioned in Norway.

- That the rapid reactor squadrons, when equipped with CF18 aircraft, be assigned solely to continental air defence.

- That the land commitment to Central Europe be retained and the resources of 4CMBG and the current CAST brigade be combined in Germany to produce a more balanced and effective land formation with associated combat service and base support elements.

- That the 1CAG and associated bases be retained and that the unit deficiencies in terms of air defence and airfield protection, defence and repair be resolved.

Maritime Commitments

Under the Supreme Allied Commander Atlantic (SACLANT), to whom all of Canada's maritime forces are assigned in time of war, Canada and its NATO allies are charged with defending the ocean approaches to North America and the reinforcement and resupply routes across the Atlantic to Europe. Protecting these supply routes, as noted in the previous section, is vital if NATO is to effectively fight a sustained conflict in Europe. Canadian maritime forces are also charged with detecting enemy submarines in ocean

areas assigned to Canada - submarines which threaten North America with ballistic or cruise missiles. In peacetime, Canada contributes one destroyer to NATO's permanent international naval squadron, the Standing Naval Force Atlantic (STANAFORLANT). Composed of ships from NATO navies operating in the Atlantic area, STANAFORLANT is under the direct command of SACLANT.

In spite of the strategic importance of Canada's maritime commitments within NATO, there is serious doubt that Canadian Maritime Command (MARCOM) could currently fulfill them. An extensive review by the Senate Subcommittee on National Defence concluded that Canada's maritime defences have "so far deteriorated that immediate and drastic remedies are called for." It noted:

> No matter which way the issue is approached, even the most cursory examination leads to the judgement that MARCOM's capabilities fall woefully short of the requirements which the government itself has recognized.[6]

At present, it is equipped with only 23 combat vessels - most of dubious military capability. Three British made, conventionally powered Oberon submarines are now some 20 years old and are "mainly of use as training vessels and mock targets" according to one critical assessment.[7] Although all underwent mid-life refits which equipped them with new combat systems, they nonetheless remain deficient in a number of respects.[8] A former U.S. submarine was withdrawn from operational service on the West Coast in 1974, but was never replaced.

In recognition of the inadequacy of Canada's submarine capability, the Government announced the Canadian Submarine Acquisition Project (CASAP)

in late 1984. Under CASAP, the current three-member fleet will eventually be replaced by between four and twelve modern submarines. Four submarines are expected to provide a "modest submarine combat and surveillance capability on the East coast",[9] while twelve would ensure "substantial" combat and surveillance capabilities in our Atlantic and Pacific Maritime areas and, depending on the type selected, our Arctic waters.

The Department of National Defence has been considering whether diesel-electric or nuclear-powered submarines should be acquired. If the former is chosen, the navy might acquire greater numbers because of lower basic cost, but while diesel-electric submarines would be effective in the Atlantic and the Pacific, they would be unsuitable for under-ice operations in the Arctic. Conversely, the nuclear submarine would be more costly per unit but would give much greater flexibility in terms of time on station in all three oceans and provide a proven capability for under-ice operations in the Arctic. This would give Canada a twelve-month capability for security and sovereignty protection purposes in all maritime areas of jurisdiction. As contracts under CASAP are not expected to be let until 1990, the first new submarine will not join the fleet until 1995 and delivery of the balance will extend beyond the year 2000. It is evident, however, that, despite the type chosen or time to obtain delivery, this programme will result in technological transfer and the establishment in Canada of a new dimension to the maritime construction industry, which will benefit Canada in future years.

MARCOM also maintains a fleet of 20 steam-driven frigate destroyers - most of dubious capability in terms of modern warfare. Four Tribal-class destroyers of 1970s vintage, however, are undergoing extensive modernization

under the Tribal Class Update Modernization Project (TRUMP) approved in May 1986. The aim of the TRUMP project is to enhance the anti-aircraft and anti-missile capability of the four destroyers. Specifically, they will be equipped with new missiles, radar, guns, and gas-turbine engines. The remaining 16 frigates were built in the 1950s and 1960s but are kept in service through various "life extension" measures. Such measures, according to critics, are designed to do little more than keep the aging destroyers afloat until six new anti-submarine patrol frigates - announced by the government in 1983 - are deployed in the mid-1990s.[10] At that time, Canada's naval fleet - once the third largest in the world - could be effectively reduced to 10 ships.[11]

In addition to its 3 submarines and 20 surface ships, MARCOM also effectively controls a fleet of 35 Sea King anti-submarine helicopters, as well as 18 Aurora long-range patrol aircraft provided by Air Command. Of 1950s design, the Sea Kings have been in service since 1963 and, while still operationally effective, are becoming increasingly obsolescent. Not long ago, the entire fleet was grounded because of defects in the engine mounts.[12] While the government recently approved a three-year project definition phase to replace them with new, sophisticated shipborne aircraft, the first operational detachment is not expected until the mid-1990s.[13] The Aurora long-range patrol aircraft, on the other hand, are technically sophisticated and highly effective in detecting and tracking submarines. They contribute a great deal to the NATO strategic ASW role. Unfortunately, they are seriously over-extended. The existing 18-member fleet is too small and is able to provide little more than cursory surveillance of the vast Atlantic, Pacific and Northern areas it is called on to patrol. It also lacks air-to-air and air-to-

surface weapons. Additional Aurora aircraft are required for NATO, North American defence and sovereignty missions.

It should also be noted that effective anti-submarine warfare requires the interrelationship of maritime patrol aircraft, friendly submarines and hydrophonic sensors and monitoring units in all three ocean areas. The interrelationship of sensors and monitoring units and submarines is intensified in Arctic waters where the sea is frozen over for most of the year. The employment of a Canadian controlled undersea surveillance and detection system in strategically located channels would be an important component of Canada's sovereignty and security capability.

Apart from the general obsolescence of its current fleet, MARCOM also lacks a vital mine-countermeasures capability. As the Senate Subcommittee on National Defence pointed out in 1983, however, the "potential danger posed by mines, and by the substantial stocks of mines and mine-laying capabilities of the Soviet forces, **demands** that Canada have a mine-countermeasures force."[14] At present, the only existing force MARCOM could muster to deal with a minefield laid to block Canadian harbours or harbour approaches would be divers carrying hand-held sonars.[15] The need for Canada to acquire a significant mine countermeasures capability is further borne out by the fact that mines remain the cheapest maritime weapons system, are easy to lay, and can claim the highest cost-effectiveness ratio against surface ships.[16]

The Business Council believes that Canada's existing Maritime forces are seriously deficient. The current fleet is not only obsolescent, but largely incapable of making a credible contribution to collective efforts to defend

North America and keep Atlantic sea lanes open in time of crisis. The Council therefore recommends:

- That the Canadian Submarine Acquisition Project be urgently pursued and that the submarine selected for purchase be capable of operating effectively in all three oceans - Atlantic, Pacific and Arctic.

- That contracts be immediately let for Phase II of the Canadian Patrol Frigate Program.

- That an additional 12 to 18 Aurora aircraft be acquired and that the Aurora fleet be provided with appropriate weapons systems.

- That the acquisition of new shipborne aircraft proceed with dispatch.

- That hydrophonic sensors, monitoring units and command and control facilities providing sub-surface surveillance and warning and the operation direction of the submarine fleet be established in the Arctic Archipelago/Arctic Ocean areas and, where necessary, that similar facilities on the Atlantic and Pacific coastal zones be enhanced or established.

- That Maritime Command acquire a significant mine-countermeasures capability including minehunting and minesweeping vessels.

- That MARCOM be generally equipped to perform a sea-denial role to prevent enemy submarines and surface warships from approaching,

entering, and operating in Canadian waters and designated alliance areas of responsibility in the Atlantic, Arctic and Pacific Oceans.

NORAD Commitments

To provide for the collective air defence of the North American region of NATO, Canada and the United States formally created the North American Air Defence Command (NORAD) in May 1958. While NORAD is a bilateral Canada-United States defence agreement, it is nonetheless tied into overall NATO military planning through the Canada-United States Regional Planning Group (CUSRPG). The creation of NORAD followed agreements to establish a series of radar networks designed to counter the growing aerial threat posed by the Soviet Union in the 1950s. These included the CADIN-Pinetree Line (1951), the Mid-Canada Line (1954), and the DEW Line (1955).[17] In the 1960s and 1970s, however, the relative importance of a direct air threat to North America declined as the Soviets rapidly expanded their long-range missile forces. NORAD's mission of active defence against Soviet bombers was subsequently downplayed as higher priority was assigned to the role of warning and assessment of Soviet bombers, ballistic missile attack, space surveillance and peacetime detection and identification of unknown aircraft.[18] This new orientation - and the growing importance of space-based technology to the defence of North America - was formally recognized in 1981, when NORAD's name was changed to the North American Aerospace Defence Command.

The advent of Soviet air and submarine-launched cruise missiles - and the imminent deployment of new, long-range bombers - has unfortunately rekindled fears of a direct air strike on North America. In March 1985, in response to the re-emergent Soviet air threat, Canada and the United States

formally concluded an agreement to modernize North America's air defence system. The objective of the agreement is to establish a warning system around the perimeter of the continent to detect incoming aircraft and cruise missiles. The system will consist, first, of a series of Over-the-Horizon Backscatter radars (OTH-B) to provide advance warning on the east, west and south approaches to North America.[19] While the OTH-B will be entirely located in the United States, they will be jointly manned by Canadian and American personnel. A new North Warning System (NWS) - to replace the aging Distant Early Warning (DEW) Line - will also be erected in the North.[20] Consisting of 13 minimally attended long-range radars (11 of which will be located in Canada) and 39 short-range radars (36 in Canada), the NWS will provide surveillance of the transpolar routes of attack. In time of alert, additional radar coverage will be provided by USAF Airborne Warning and Control System (AWACS) aircraft.[21] The cost of the overall modernization project is estimated to be $7 billion, of which some 12% will be borne by Canada.[22]

While the agreement to modernize and upgrade North America's air defence system will greatly improve Canada's contribution to NORAD, some serious gaps remain. One is the need for additional fighter/interceptors for continental air defence. While Canadian Forces Air Command is well advanced in the conversion from CF101, CF104 and CF5 to the new CF18 advanced fighter/interceptor aircraft, only 60 of the total purchase of 138 aircraft (of which some 97 had been received by December 1986) will be in Fighter Group in Canada. An additional 54 will be in 1CAG in NATO Europe with the remainder being retained for attrition and replacement. The 60 CF18 fighter/interceptors available for NORAD missions will be deployed in four

tactical fighter squadrons, two each of 12 aircraft based at CFB Cold Lake, Alberta, and two based at CFB Bagotville, Quebec, and one tactical fighter (operational training) squadron at CFB Cold Lake, Alberta. Of these, under current plans, one squadron at each base would be double-tasked after 1988 to the NATO Northern Flank rapid reactor role, which currently is performed by the 20 CF5 Freedom Fighter aircraft of 433 and 434 Tactical Fighter Squadrons. Consequently, if such overseas deployments were to be implemented in an emergency, the number of fighter/interceptors in Canada would be reduced from 60 to 36.

A shortage of Airborne Warning and Control (AWACS) aircraft is also apparent. One of the consequences of phasing out the 24 radars of the CADIN/PINETREE Line is a sharp diminution of the internal air surveillance, warning and control capabilities inside the Canadian radar. While this will be partially overcome by the periodic availability of some US AWACs aircraft, current holdings of AWACs by United States Forces are not sufficient to meet the needs of all force commanders and theatres and the number of AWACs that could be designated for the NORAD mission are less than optimum. As the availability of sufficient AWACs or AWACs-type aircraft systems is critical to the aerospace defence of Canada in peace and war, Canada should consider the acquisition, by direct purchase or in concert with the United States, of a number of AWACs aircraft which would be based in Canada and dedicated to the NORAD and, perhaps, maritime defence missions. As the AWACs and fighters deployed forward will require air-to-air refuelling, this requirement should be considered when developing the program for replacement of strategic air transport aircraft.

Concern has also been expressed about the need for Canada to be more active in space. To date, it has made almost no effort to participate in space-based programs for either defence or surveillance purposes. Nevertheless, by the turn of the century, it is estimated that space-based systems will comprise the basis of North American air defence.[23] Indeed, such systems are not only becoming technically feasible, but cost-effective.[24] Recently, the United States moved to establish the United States Space Command, a purely American unified command to control the space assets of the Air Force, Army, Navy and Marines. In view of growing American interest in space, Canada needs to seriously consider how it can most effectively be involved in this fourth dimension of military operations.

In fact, while Canada would not likely wish to become involved with weapons testing in space, there are many other activities related to early warning and surveillance, communications, and navigation in which Canadian participation could prove extremely valuable. Many of these have or promise to have significant commercial implications which cannot be ignored. Space-related industries are a classic example of the kind of "high-tech" activities in which Canada must increasingly engage if our standard of living is to be maintained. While Canada has already demonstrated considerable expertise in such areas as telecommunications and satellite technology, continued Canadian participation in and development of these and other space-related industries will require explicit government decisions to keep Canada in the forefront of space manufacturing. If Canada is not involved in any of the military dimensions of space activities, there is a great danger that it will become increasingly irrelevant to its own defence and that its research and development and industrial sectors will not be able to participate in the wide

range of high technology activities associated with space developments. This would not only work to the disadvantage of Canada's economy and competitiveness but, ultimately, to its international standing.

In view of the increasing strategic value of Canadian territory, the growing threat to North America posed by Soviet cruise missiles and bombers, and heightened American interest in space, the Business Council believes that Canada's role in continental air defence must be strengthened and expanded. The Council also believes that a Canadian space-based defence surveillance program should be an integral part of continental aerospace defence. Accordingly, it recommends:

- That the NATO Northern Flank rapid reactor mission of two fighter squadrons be cancelled and that all four fighter/interceptor squadrons based in Canada, once equipped with CF18 aircraft, be assigned solely to continental air defence and other continental defence tasks.

- That Canada acquire an AWACs capability for both peacetime and wartime surveillance and control of Canadian airspace.

- That Canada ensure that the NORAD Space Surveillance Centre in the Cheyenne Mountain Complex continues as a joint Canadian-American operation to assure Canadian acquisition of space knowledge and experience.

- That Canada consider contributing to the manning of the Ballistic Missile Early Warning System (BMEWS) in Alaska and Greenland, the

PAVE/PAWS high speed, phased array radars on the U.S. East and West Coast and, if feasible, the Perimeter Acquisition Radar Attack Characterization System (PARS) in North Dakota.

- That the Government consider establishing a national military space program as recommended by the Special Committee of the Senate on National Defence in 1985.

- That Canada, in its own national interest, ensure that it is an effective participant in appropriate space programs and defence systems for continental aerospace defence.

International Peacekeeping

Beyond their commitments within NATO, the Canadian armed forces are also called on to play an important international peacekeeping role. Canada's expertise in this area is widely recognized and respected - particularly since Prime Minister Pearson won the Nobel Peace Prize for Canada's role in the 1956 Suez crisis. This country remains one of the principal contributors to world peace through the United Nations and has participated in 16 of 17 UN peacekeeping operations. At the present time, Canada's forces are serving in three UN Missions in the Middle East, the largest of which is a peacekeeping contingent in Cyprus where 515 Canadian forces personnel are stationed. Canada has also contributed to various peacekeeping missions outside the UN, notably in Indo-China, Nigeria and currently in the Multinational Force and Observer Mission in Sinai. All told, over 77,000 Canadians have participated in peacekeeping, peace-restoring and truce supervisory missions since 1947.[25]

While peacekeeping is widely regarded as a worthwhile, if not noble, objective, its value is often underestimated. Nevertheless, Canada's peacekeeping record has contributed immeasurably to this country's status and reputation internationally - particularly among nations that are non-aligned. A green paper on Canadian foreign policy, tabled by the Secretary of State for External Affairs in 1985, acknowledged that Canadian peacekeeping "has been a particular source of international influence."[26] Peacekeeping also invariably lends credence to Canada's voice on various issues of international security, such as arms control. Most importantly, by participating in international peacekeeping operations, Canada can play a meaningful role in preventing the outbreak of regional hostilities that might escalate into superpower confrontations.

Unfortunately, as the government Green Paper further noted, Canada's capacity to play a peacekeeping role is "more limited now than it was in the past."[27] Serious neglect of Canada's armed forces in the late 1960s and early 1970s has resulted in severe personnel shortages and stretched military resources to the limit. Today, Canada would be hard-pressed to mount the same peacekeeping effort which once earned it considerable recognition without jeopardizing other defence commitments at home and abroad. Few countries, however, have acquired Canada's peacekeeping experience and expertise - which many regard as "second to none."[28] Few, if any, enjoy Canada's economic standing and fair and impartial reputation. Canada is also one of a very select group of countries to enjoy membership in both the Commonwealth and "la francophonie." Its diminished capability on the peacekeeping front has therefore left an inevitable void which few nations are equipped to fill.

The Business Council recognizes that Canadian peacekeeping, in its relatively brief history, has been a source of considerable national pride. It acknowledges that Canada's peacekeeping forces have made a valuable contribution to the country's reputation internationally and to the promotion of international stability. Nevertheless, the Council believes that Canada should avoid undertaking new peacekeeping duties, should the opportunity to do so present itself, until more serious deficiencies in the armed forces' ability to fulfil their mandate are met. Specifically, it recommends:

- That Canada's armed forces continue to play an important peacekeeping role but that other defence priorities take precedence at this time. Nevertheless, the Council hopes that Canada's role in international peacekeeping can be significantly enhanced in the future when the strength of the forces has been restored.

- That Canada press for measures to ensure that the costs of peacekeeping responsibilities are more equitably shared by all countries.

- That Canada undertake to increase our participation in the training and development of regional peacekeeping forces. In this respect, the Council supports the suggestion advanced by the recent Special Joint Committee on International Relations that Canada consider hosting a conference on the topic.

- That Canada, through the United Nations, encourage the development of the peacekeeping capabilities of the universal body.

- **That Canada, if feasible, expand the role of its peacekeeping forces to include the monitoring and verification of arms control, disarmament, and confidence-building measures.**

MANPOWER REQUIREMENTS AND TRAINING

In any discussion of Canada's NATO and North American defence commitments, the question of Canada's military manpower requirements is critical. Clearly, if such commitments are to be effectively fulfilled in time of crisis, sufficiently large Regular and Reserve forces are necessary to meet and sustain them. Unfortunately, as the Senate Subcommittee which examined Canada's military manpower requirements in 1982 concluded, Canada simply does not have enough combat personnel to meet the armed forces' present commitments.[29] Currently, Canada lacks the necessary manpower to meet its various NATO and North American defence commitments for even thirty days. Manpower requirements for the period of potential hostilities in Europe, for example, are almost double what Canada's defence forces are capable of providing. The state of Canada's Reserve Force is particularly alarming, since reserves would quickly assume a vital role in the direct defence of Canada in time of war. Indeed, following NATO deployments, few, if any, formed units would be left in Canada to meet Canadian and North American defence requirements.

The need for significant increases in manpower for both the Regular and Reserve Forces, together with the acquisition of related equipment, is, therefore, vital. Studies prepared by DND and other informed institutes and associations have indicated that, within the first thirty days of hostilities

alone, Canada would need from 180,000 to 200,000 trained military personnel plus sufficient additional cadre and infrastructure as a basis for further expansion and mobilization. In order to meet this thirty-day requirement, the Canadian Forces would have to be augmented along the following lines: regular forces up to 115,000 (versus current planned strength of 84,700); primary reserves up to 61,000 (versus the current 24,700 poorly-equipped reserves); an organized supplementary reserve up to 25,000 (versus the current 17,000 unorganized and non-equipped forces). These figures, it should be pointed out, refer only to the initial thirty days of NATO operations in Europe and North America. It is estimated that a further 100,000 trained military personnel would be required to sustain operations over a longer period (i.e. from day 31 to day 180).

One of the more effective means to increase Canada's Regular and Reserve Forces could be to expand the Youth Training and Employment Program (YTEP). Under YTEP, young Canadians receive basic military and trade training and are eventually eligible to apply for positions with the Regular Force. To date, about half of those admitted to the program have done so. In addition to expanding the Regular Force, YTEP also provides young Canadians with valuable training and experience in trades which are in increasing demand. Moreover, it is a direct and cost-effective means of responding to the serious problem of youth unemployment. Finally, it helps to ensure that sufficient numbers of trained personnel can be mobilized from the private sector to meet Canada's NATO commitments in the event of a sustained crisis. For all of these reasons, the Business Council believes that the government should give serious consideration to expanding YTEP by reallocating funds from less effective civilian training programs.

The need to expand Canada's Reserve Force is particularly evident. Since the late 1950s, the number of primary reserves in Canada has fallen dramatically - from a high of some 59,000 to the present level of 24,700. This decline can be attributed, in part, to a number of social and economic factors. One of the most important reasons, however, was the strong emphasis which NATO strategy then placed on the notion of "forces in being" - or forces in place and immediately ready for combat at the outset of hostilities. This notion stemmed from the West's superior nuclear capability and the belief that standing forces represented a sufficient deterrent to aggression. It also reflected the view that any war between the superpowers would be short and that little time would be available for national mobilization. The need for reserve forces was correspondingly downplayed.

With the advent of nuclear parity between the superpowers, the importance of reserve forces has taken on a higher priority. Today, nuclear weapons represent a less certain deterrent to aggression by conventional forces. Consequently, a new concept - that of the "total force" - has emerged. This concept includes both regular and reserve forces and reflects the belief that the conventional phase of war in Europe - the most likely area of conflict - could last much longer than previously thought. While NATO strategists once predicted a "short war" with early escalation to the nuclear level, many now recognize that "sustainment forces" are critical to Alliance conventional defence. In any protracted dispute, sufficient numbers of well-trained reserves would be needed to sustain regular troops in action, and thereby prevent early recourse to nuclear weapons.

Unfortunately, on a proportional basis, Canada maintains one of the smallest reserve forces in the Western Alliance. (See table below.) In most

NATO countries, the number of reservists generally exceeds that of the regular force - often by a wide margin. In the United States and Britain, the ratio of reserves to regular forces is about even. In France, reserves make up some 70% of regular forces. Canada Primary Reserves, however, constitute less than a third of the country's Regular Force.

Comparisons of NATO Regular and Reserve Forces, 1986

	Numbers in Armed Forces (000) 1986	Estimated Reservists (000) 1986	Ratio of Regular to Reserve Forces 1986
Belgium	91.4	226.3	1:2.48
Britain	323.8	305.0	1:0.94
Canada	**83.0**	**24.7**	**1:0.30**
Denmark	29.5	161.7	1:5.48
France	557.5	391.0	1:0.70
FRG	485.8	770.0	1:1.59
Greece	209.0	404.0	1:1.93
Italy	385.1	799.0	1:2.07
Luxembourg	0.7	--	--
Netherlands	101.2	171.3	1:1.69
Norway	37.3	208.0	1:5.58
Portugal	68.3	190.0	1:2.78
Spain	325.5	1,085.0	1:3.33
Turkey	654.4	951.0	1:1.45
USA	2,144.0	2,266.7	1:1.06

Source: International Institute for Strategic Studies. The Military Balance 1986-87. Great Britain: The Garden City Press, 1986, p.212.

The Business Council recognizes that well-trained and well-equipped Regular and Reserve Forces are critical to the successful performance of Canada's defence commitments. It also recognizes that Canada's armed forces make a vital contribution to NATO's conventional deterrent posture and

play a valuable role in ensuring that the nuclear threshold is held at the highest possible level. The Council is particularly concerned, however, by the need to strengthen Canada's Reserve Force. A strong Reserve Force is essential not only to sustain regular troops abroad in any future crisis, but to directly defend Canada in time of war. Reserves also play a crucial role in generating public support for Government security policy and broad understanding of security policy issues. As the senior voice of business in Canada, the Business Council is keenly aware of the vital role the private sector must play in rebuilding the Reserves. Indeed, it has already announced its support for the government's intention to provide significant extra funding over the next five years for a number of Reserve Modernization Programs. It has also pledged to support a number of provisions designed to improve the Reserve Force where the circumstances of individual employers permit. These include allowing employees time off for annual military training without detriment to the employee's paid holiday leave, and having employers assume the difference between military and civilian pay levels during these training periods. Moreover, the Council has pledged to support job protection legislation for Reservists should the latter be deemed necessary.

In view of the critical need to ensure that Canada's Regular and Reserve Forces are sufficient to meet Canada's defence commitments, the Business Council recommends:

- **That Canada's regular and reserve forces be urgently expanded with a view to meeting Canada's personnel requirements for a minimum of 30 days of operations in time of crisis, i.e. Regular Forces - to 115,000, Primary Reserve - to 61,000, Supplementary Reserve - to 25,000.**

- That Canada's reserves be provided with modern equipment for their training and use and that reserve units have a regular force component of a least 10% of war establishment. The Council believes that this latter requirement would raise training standards and promote a high degree of readiness.

- That a realistic mobilization plan specifying the missions of Canada's reserves be urgently prepared.

- That supplementary reservists be properly organized and receive an appropriate degree of training to enhance their effectiveness.

- That appropriate emergency and enabling legislation be adopted to ensure the effective availability and readiness of reserves and that necessary amendments be made to the National Defence Act.

- That serious consideration be given to requiring Regular Force personnel to join the reserves for a period on release from their units.

- That in developing the manpower plans for meeting the Force requirements, the Youth Training and Employment Plan (YTEP) be reinitiated and expanded with a view to meeting part of Canada's defence manpower requirements from short-term volunteer resources. The Council believes that YTEP, if expanded, could significantly contribute to the building of a pool of trained military personnel necessary for mobilization requirements in a national emergency while providing much-needed employment and training opportunities for young Canadians.

NATIONAL PREPAREDNESS

A critical component of an effective Canadian security policy that is too often overlooked is that of national preparedness. National preparedness involves the ability to mobilize military and civilian resources in the face of national or international emergencies. As such, it encompasses both industrial and civil preparedness. Industrial preparedness refers to the ability to provide Canada's armed forces with the industrial support they require to effectively and decisively respond to aggression or hostility. Because modern weapons systems are sophisticated and technologically complex, such support cannot be marshalled at the last minute. Rather, critical industrial and technological capabilities and resources must be in place in peacetime. Similarly, civil preparedness refers to the peacetime preparation of emergency and civil mobilization plans. A nation-wide capability for coping with peacetime emergencies is vital to provide the basis for expanded wartime mobilization.

National preparedness is, therefore, inevitably linked to the credibility of Canada's deterrent posture. The ability to sustain the military effort that war would require is an important deterrent against aggression. Moreover, should deterrence fail and war occur, the ability to sustain forces in combat would work to prevent early recourse to nuclear weapons. One observer writes:

> If NATO does not have the wherewithal to contain a Soviet attack using conventional means, then no other alternative but nuclear weapons will be available. The duration of the conflict will then be too short to permit the diplomatic effort necessary to the avoidance of nuclear exchange.[30]

Unfortunately, the decline in Canada's military capability over the past two decades has been more than matched by a deterioration in this country's state of national preparedness. While Canada had an impressive capability to mobilize its military and civilian resources at the end of World War II, and well into the 1950s, its commitment to national preparedness soon declined sharply. Post-war stability and the advent of the "short-war" scenario appeared to mitigate the need for a rapid mobilization capability. Not surprisingly, by the 1970s, virtually no mobilization planning was done in Canada and the attention given to questions of industrial and civil preparedness was minimal. Indeed, as late as 1975, the federal government was asserting that Canada had no need for a mobilization plan.

While the importance of national preparedness is now widely recognized in both government and military circles, the level of mobilization and national preparedness planning remains unsatisfactory. The Department of National Defence has yet to adopt a coherent mobilization plan or to set out a detailed mobilization force structure, and only in recent months has any real interest been shown in the development of a viable defence industrial base. Emergency Planning Canada and various government departments responsible for aspects of civil planning and preparedness still await DND leadership in this area. Similarly, few government departments have developed concrete plans to deal with their emergency responsibilities as stipulated in the Emergency Planning Order approved by the federal cabinet in 1981.

The Business Council believes that national preparedness is central to the viability of Canadian security policy. National preparedness is critical to the sustainment of Canadian defence commitments in Europe and North

America and is inevitably linked to the credibility of Canada's deterrent posture. The need to develop a comprehensive approach in planning for the mobilization of military and civilian resources is therefore apparent. In this respect, new legislation granting the government the authority to ensure that planning for military mobilization and civilian emergencies is undertaken in a coordinated fashion may be necessary. Greater political leadership in this area is also needed. While the recent assignment of the responsibility for coordinating Emergency Planning to the Minister of National Defence is an indication of increased emphasis, further action is required. Accordingly, the Council recommends:

- **That, as soon as possible, the Government develop a detailed plan for the rapid mobilization of military and civilian resources in time of national or international emergency.**

- **That, in order to ensure a national capacity to produce or acquire the necessary equipment needed to sustain Canada's armed forces in time of war, Canada move toward greater cooperation with the United States in the area of defence production. In this respect, the Business Council supports the development of a North American Defence Industrial Base. Nevertheless, it recognizes that Canada must remain reasonably self-sufficient with respect to certain capabilities and technologies.**[31]

A CANADIAN PERSPECTIVE

The credibility of Canada's voice within NATO has been seriously undermined by this country's reluctance to make a commitment to collective

defence comparable to that of the majority of its allies. Influence in NATO is not, however, merely a function of "paying one's dues." It is also a function of being able to bring something unique and relevant to the discussions. The need for Canadians to elaborate and convincingly present their own perspective on important issues of NATO strategy and arms control policy is therefore vital - particularly since such issues have significant implications for Canadian security. Moreover, Canada's security interests are not necessarily coterminous with those of its allies. In geographic terms, Canada is the largest member of NATO. It also borders three oceans and has the longest coastline in the world. At the same time, it lies strategically between the superpowers. From this unique geographic situation, and the fact that Canada's population is relatively small, spring a host of distinct security concerns which Canadians need to better understand and articulate more effectively in domestic and international forums.

Canadian Ministers, officials, and military personnel have often contributed effectively to discussions within NATO and NORAD, although the degree to which they have influenced decisions has not been generally recognized or understood. Nevertheless, as a middle power within NATO, it is not surprising that Canada has tended to rely on European and American perspectives on major strategic issues. Inevitably, this has given rise to the unfortunate perception in some quarters that Canada is content to acquiesce in Alliance decisions and to leave the strategic thinking to others. It is therefore desirable that Canada should undertake a greater effort to more clearly define its own perspective on the broad issues of Western security -- and present and explain that perspective publicly. Such an approach would be in keeping with the view recently expressed by the Special Joint Committee on Canada's International Relations:

> Canada needs to make fully independent judgements on the major issues of international security. ... Canadian governments have not been accustomed to formulating detailed positions on strategic options confronting either NATO or the Warsaw Pact or on the positions the West should advance in arms control negotiations with the Soviet Union and its allies.[32]

One area of vital concern to Canada is that of arms control. Since arms control agreements have the potential to promote international stability and lessen the possibility of superpower confrontation, further progress in this area is very much in Canada's national interest. For the same reason, Canada has a direct stake in maintaining the credibility of existing agreements. The Government of Canada, to its credit, has outlined six comprehensive arms control principles which it has committed itself to pursue "through all appropriate diplomatic channels".[33] While deserving of support, these principles - and the rationale behind them - need to be elaborated and explained in greater detail. Canada's perspective on major issues of strategic doctrine also remains unclear. While Canada has traditionally supported strategic deterrence based on the doctrine of "Mutual Assured Destruction" (MAD), it has yet to respond to the perception that American strategic policy is gradually shifting from reliance on MAD to a countervailing strategy based on a nuclear war-fighting capability. Former American President Carter officially approved a "countervailing nuclear strategy" when he signed Presidential Directive 59 in July 1980.[34]

Nowhere is the need for Canada to develop its own strategic perspective more directly apparent, however, than in the context of President Reagan's Strategic Defence Initiative (SDI). While the Canadian government recently indicated that SDI must not be allowed to pose a first-strike threat to the

Soviet Union, or to undermine the arms control process or the viability of existing arms control agreements,[35] it has so far failed to issue a comprehensive assessment of the implications of SDI for Canada's security interests. Nevertheless, should the United States eventually deploy ballistic missile defences, the latter would inevitably have a profound impact on Canadian security and Canada's defence posture and priorities.

Assuming Canadians are first prepared to carry their fair share of the collective defence burden, a greater effort by Canada to address strategic issues independently could be of benefit to both Canada and the Western Alliance. A stronger Canadian voice within NATO would help to ensure that Canadian interests are taken into account in Alliance decisions and enhance Canada's credibility in the eyes of its allies. Indeed, the growing strategic value of Canadian territory, airspace, and maritime approaches in the Arctic, Pacific and Atlantic presents Canada with a real opportunity to exercise a significant degree of influence over the future direction of NATO policies and the posture of North American defence. A more forthright Canadian posture within the Alliance could also generate greater public support for the government's security policy - a policy that has often been perceived as ill-defined and piecemeal. At present, the Canadian public, and to a significant degree their elected representatives in the federal parliament and the provincial legislatures, are not sufficiently informed on questions of international security, national security, and foreign and defence policy - a situation that is exacerbated by the still modest numbers of academic institutions and private research bodies engaged in the field of strategic studies and the relative absence of qualified commentators in the media. Nevertheless, as recent controversy surrounding cruise missile testing in

Canada and Canadian private sector participation in SDI has shown, the need for such decisions to be explained to the Canadian public in terms of Canada's own security interests is critical.[36]

A more clearly defined Canadian perspective within NATO would also inevitably benefit the Alliance as a whole. Currently, NATO's Northwestern Flank is one of the most exposed. A Canadian perspective could therefore be of considerable value to collective security, particularly as the strategic importance of the Canada-United States Region and its Arctic and Pacific frontiers grows. A sound strategic perspective could also serve to raise Canada's profile in NATO, thereby enabling it to more effectively promote cohesion and build consensus within the Alliance. As a North American nation which shares many European and American perspectives and concerns, Canada has the potential to play an important "bridging" role within NATO. By promoting dialogue between the United States and the European allies, Canada can contribute to the reduction of transatlantic tension and foster cooperation in all areas of Alliance activity, including research and development, technology transfer, defence production, and military training.

Accordingly, the Business Council recommends:

- **That the Government of Canada take a more active role in assessing strategic and arms control issues and clearly articulate its positions on national and international security matters on a regular basis. Such a role should be designed to develop the Government's domestic visibility on security issues, enhance its credibility within NATO and Canada-United States forums, and promote the mutual compatibility of strategic and arms control objectives.**

- That the government of Canada support and further promote the development of strategic studies, analysis and research in private sector universities, non-governmental institutes and defence associations and organizations.

- That Canada enlist the support of other NATO allies for measures to ensure that questions surrounding SDI deployment, and their implications for Alliance nuclear strategy (MAD, flexible response) and arms control policy, be thoroughly examined and discussed before decisions are taken by the United States. In this respect, Canada should consider proposing the establishment of a NATO consultative committee on SDI.

- That the Government of Canada establish an active information program to ensure that Canadians are adequately informed about NATO goals and strategy (including those affecting the Canada-United States Region) along with the defence and preparedness activities related to that strategy. The Business Council believes that such a program should include objective information on Soviet and Warsaw Pact capabilities and activities.

SECURITY AND CANADIAN SOVEREIGNTY

National sovereignty, to some extent, has always been dependent on international security. Never has this been more true than in the nuclear age. The prospect of global nuclear war, and the "nuclear winter" which some have suggested would follow, pose a direct and very real threat to the future aspirations - indeed the very survival - of all nations. Increasingly, the notion

of sovereignty has little meaning beyond the context of security. Insofar as Canadian security policy works toward preventing war, particularly one involving nuclear weapons, it can therefore legitimately be said to promote Canada's continued existence as a nation. An effective and coherent policy would do this in two ways. First, by strengthening the forces of deterrence and raising the nuclear threshold. Second, by reducing international tension and promoting arms control. Because both of these measures serve to enhance international stability, they ultimately promote the cause of Canadian sovereignty.

The mutually-reinforcing links between Canadian security and Canadian sovereignty are most direct, however, in terms of Canada's own territory, airspace, and coastal waters. Indeed, the 1971 White Paper on Canadian defence policy recognized that sovereignty enforcement - the ability to detect violations of Canadian jurisdiction and the capability to deal with violators effectively - was one of the primary responsibilities of Canada's armed forces. The forces ability to perform this role, however, is largely dependent on their ability to defend Canada itself. This fact alone underscores the need to reinforce Canada's defences, particularly those related to commitments in North America and the North Atlantic.

Since Canada borders on three oceans and has the largest coastline in the world, one of the most important aspects of the armed forces' sovereignty enforcement role involves the surveillance and control of the country's coasts. Canadian Maritime Command (MARCOM) currently shares these duties with the Department of Fisheries and Transport Canada (notably, the Coast Guard). The ability of these departments to undertake surveillance and control

operations is limited, however, by the fact that most of the vessels they employ are highly specialized in design.[37] Moreover, none are armed - nor are they fitted for arms.[38] In theory, the forces of MARCOM are available to provide a show of force when needed. Unfortunately, their ability to do so is seriously hampered by their limited size and configuration. Reinforcing MARCOM's ability to meet Canada's security commitments in North America and the North Atlantic through the acquisition, notably, of additional submarines, frigates and long-range patrol aircraft, would directly reinforce its ability to perform peacetime control and surveillance duties. As the Senate Subcommittee on National Defence concluded: "Any increase in the numbers of combat capable units available to MARCOM for wartime duty will simultaneously increase its capability to handle peacetime sovereignty tasks."[39] Indeed, a MARCOM that was adequately equipped for defence purposes would be more than able to respond to any challenges to Canadian sovereignty that civilian agencies, like the Coast Guard, were unable to meet.[40]

A stronger and better equipped MARCOM would directly strengthen Canada's sovereignty in the North, where Canadian claims to jurisdiction are not universally accepted. At the present time, the only tangible Canadian presence in much of the vast area north of the 60th parallel is provided by MARCOM's over-extended fleet of long-range patrol aircraft.[41] Nevertheless, the threat to Canada's sovereignty in the Arctic is real. In 1985, a United States coast guard vessel, the Polar Sea, effectively challenged Canadian control of the Northwest Passage - an incident which prompted the Government to announce the construction of a Class 8 polar icebreaker. In fact, unless Canada moves to establish a greater military presence North of

60° - particularly one that responds to the legitimate security concerns of its southern neighbour - Canadian jurisdiction over its Arctic territories will be increasingly jeopardized. Continued Soviet military activity in the Arctic poses a direct threat to North American security which the United States cannot be expected to ignore. One observer recently wrote in this context:

> ... it is scarcely far-fetched to envisage a future in which a wide band of the Canadian Arctic became, de facto, the exclusive area of military operation of the United States.[42]

The implications of space-based surveillance and defence systems, including U.S. President Reagan's Strategic Defence Initiative, are equally profound in terms of Canadian sovereignty. Unless Canada is jointly involved in at least some aspects of space-based programs for North American defence, it runs the very real risk of losing control over its airspace - and thus of becoming increasingly irrelevant to its own security. A recent Senate committee report on Canada's Territorial Air Defence warned:

> ... if Canada does not seek a role at an early stage in defence space surveillance of the continent - either by developing a national military space surveillance programme within the framework of the NORAD association or by participating in U.S. space programmes -then the United States may decide to do entirely without Canadian cooperation in North American aerospace defence, thus developing a high degree of knowledge about air activity over Canadian territory that will not necessarily be made available to the Canadian authorities.[43]

Similarly, the lack of a Canadian AWACs capability means that Canadian interior air space may not be effectively surveyed or controlled when U.S. AWACs aircraft are not available. Yet possession of such a capability is

essential to our national capability to control Canadian airspace in peacetime and to fulfil our international agreements.

The Business Council believes that Canada's ability to enforce its control over Canadian territory, airspace and coastal waters is critical. As External Affairs Minister Joe Clark recently pointed out, sovereignty claims which cannot be defended are likely to "gradually disappear."[44] Indeed, the need for the country to assert control of its territory and coastal waters has never been greater. In the Arctic, challenges to Canadian jurisdiction are expected to increase. On Canada's coasts, fishing disputes with the United States - and, most recently, France - are now regular occurrences. As the untold wealth of Canada's continental shelf unfolds, with its proven reserves of oil and gas, valuable fish stocks and great potential for sea-bed mining, further challenges to Canadian jurisdiction are inevitable. Accordingly, the Council recommends:

- **That the Government give particular emphasis to those defence commitments which directly promote Canadian sovereignty.**

- **That appropriate Canadian Coast Guard ships be armed.**

- **That the planned Class 8 polar icebreaker announced by the Government in September 1985 be appropriately equipped to enhance its sovereignty enforcement capabilities and to enable it to play a defence role.**

CANADA'S SECURITY: A QUESTION OF PRIORITIES

In any discussion of a viable Canadian security policy, the critical - and sometimes controversial - question of defence spending inevitably arises.

What priority should national defence receive in the face of the myriad of competing demands currently made on the public purse? The Business Council is convinced that the defence of Canada, and the enforcement of Canada's jurisdiction over Canadian territory, airspace and coastal waters is one of the basic responsibilities of the national government. Therefore the Council believes that rebuilding and maintaining Canada's armed forces - neglected for almost two decades - should be high on the government's political agenda. If Canada's armed forces are to fulfil their commitments effectively, significant, real and sustained increases in defence spending are unavoidable. Continued neglect of our national defences will only further undermine Canada's reputation and influence abroad and lead to even heavier expenditures in the future.

The evidence of neglect of Canada's armed forces is, indeed, stark. Since the 1960s, defence spending has dramatically declined both as a proportion of government expenditures and as a percentage of GNP. In 1960, defence spending accounted for 25.5% of total federal spending; today, the figure is barely 8%.[45] During the same period, Canadian defence spending as a percentage of GNP fell from 4% to just over 2%[46] - one of the lowest levels in NATO. Most of Canada's defence commitments were assumed, however, in the 1950s and 1960s, when defence spending averaged 6-9% of GNP.[47] In fact, despite the rapidly rising cost of military equipment, the average annual real growth rate in defence spending between 1960 and 1985 was nil.[48]

While defence budgets were repeatedly "frozen" in the 1960s and early 1970s in an expedient attempt to reduce federal spending, the results of years of underfunding have been ruinous. In order to cope with budget freezes,

rising inflation and heavy fixed costs (such as personnel), defence officials were inevitably forced to reduce capital expenditures - in effect to put off purchasing new equipment or undertaking new construction.[49] While at least 25% of yearly resources are normally required for ongoing modernization, Canada, by 1973, was spending less than 8%.[50] Not until the 1984-85 fiscal year was the lowest acceptable ratio of 25% re-established.[51] Having consistently neglected to invest in its defences, the country has inevitably found itself faced, on the one hand, with mounting materiel deficiencies, and, on the other, with rising costs associated with servicing increasingly obsolescent equipment.[52] Today, it is left with the overwhelming task of having to re-equip all of its forces concurrently.

In recent years, the situation has improved significantly. In 1978, all members of NATO committed themselves to 3% real annual increases in defence spending to the end of the 1983 fiscal year. Canada, to its credit, is one of only two countries to have actually met the commitment (the other being the United States). Unfortunately, the very low base on which increases were applied, together with the rising cost of modernization, mitigated their benefit. A considerably higher commitment will be required if Canada is to make up lost ground resulting from years of under-funding. In 1986, however, the current government announced that real increases in defence spending would be kept to only 2% per year until 1991 - effectively abandoning NATO's 3% target.[53] Not surprisingly, one observer was led to conclude:

> Obviously the commitment-capability gap is not about to be breached by higher defence spending.[54]

Worse still, the recent federal budget indicates that even the 2% target is unlikely to be met. While the $10.2 billion defence envelope announced for

fiscal 1987-88 represents a 4.5% increase over the current envelope, the government's projected inflation rate for the same period is almost 4%. As a result, the real increase in defence spending for fiscal 1987-88 will likely be less than 1%. Defence expenditures as a percentage of GNP are also expected to fall from the current level of just over 2% to less than 1.9%.

The Business Council believes that a higher real growth rate in defence spending must be attained if Canada's armed forces are to be able to meet their commitments and perform them effectively. As the 1986 Report of the Senate Special Committee on National Defence concluded:

> More money has to be put into defence: there is no escaping this, even if some current commitments are modified or renegotiated.[55]

Increasing Canada's defence effort would not, obviously, be easy. Nevertheless, the Council is confident that a majority of Canadians would support a long-term effort to re-equip Canada's military if they were fully apprised of the facts. Indeed, this very theme was a prominent part of the current government's election platform in 1984. The question, therefore, is one of priorities - of reordering current expenditures to make a greater defence commitment possible. The Council therefore recommends:

- **That real annual increases in defence spending of 4-6% be maintained until the end of the 1990s. Such increases, the Council believes, would enable Canada to carry out the necessary minimum re-equipment of its armed forces by the year 2000.**

- **That future increases in defence spending be financed by reallocating resources from existing government programs and activities and not by**

adding to the federal deficit.

- That real increases in defence spending be maintained until Canada's proportionate contribution to collective defence is more consistent with that of its NATO allies. In this respect, the Council believes that Canadian defence spending, as a percentage of GNP, should eventually attain the NATO average of over 3.5%.

CONCLUSION

In an era overshadowed by the terrifying menace of "mutual assured destruction", Canada's national security depends, ultimately, on deterring war. Canadian security policy should therefore be designed to effectively promote deterrence. Deterrence, however, means a credible defence posture. Unfortunately, Canada has failed to commit sufficient resources to its armed forces to enable them to meet Canada's defence obligations either in North America or Western Europe. Its commitment to military and civil preparedness has also been seriously deficient. Inevitably, Canada's contribution to deterrence and collective defence has suffered - together with its credibility and influence within the Western Alliance.

An effective security policy also implies the need for a distinct, Canadian voice on major issues of strategy and arms control. Because such issues have profound implications for Canadian security, they can no longer be left exclusively to others. Moreover, as the strategic value of NATO's Northwestern Flank grows, the need for a Canadian perspective will become increasingly important both to collective security and to the defence of Canadian interests.

A credible security policy is also critical to the enforcement of Canadian sovereignty. At present, Canada's ability to control its territory, coastal waters and airspace is minimal. Yet challenges to Canadian sovereignty are increasingly common and can be expected to grow as the search for the world's scarce resources becomes more acute - as it inevitably will. A credible defence posture would directly reinforce Canada's ability to control its own

territory. By enhancing deterrence, it would also promote a stable and peaceful international environment favourable to the preservation of Canada's national interests. Indeed, by investing in its security, Canada ultimately invests in its sovereignty.

In the final analysis, the question of Canada's commitment to its own security, and that of its allies, is not a trade-off between "guns or butter", as is sometimes suggested. Rather, it is a question of national self-respect and international responsibility - and ultimately one of defending freedom. The measure of a country's commitment to defend itself, its values, and its way of life - and to participate in collective efforts to defend others while promoting international stability - is a very real measure of its status and maturity as a nation. If Canada is to achieve full maturity, it will inevitably have to assume a greater responsibility for national and collective security. Until it does, its potential influence within NATO, and on the world stage in general, will largely remain unfulfilled.

SUMMARY OF RECOMMENDATIONS

The Defence of the NATO Area

European Commitments

- That the existing commitment of a CAST Brigade Group, a battalion group to AMF(L), and the two rapid reactor squadrons be cancelled. The Council notes, however, that should Canada desire to retain a link with Norway and Denmark, the AMF(L) infantry battalion group commitment could be retained as much of the equipment for this airlifted group is already pre-positioned in Norway.

- That the rapid reactor squadrons, when equipped with CF18 aircraft, be assigned solely to continental air defence.

- That the land commitment to Central Europe be retained and the resources of 4CMBG and the current CAST brigade be combined in Germany to produce a more balanced and effective land formation with associated combat service and base support elements.

- That the ICAG and associated bases be retained and that the unit deficiencies in terms of air defence and airfield protection, defence and repair be resolved.

Maritime Commitments

- That the Canadian Submarine Acquisition Project be urgently pursued

and that the submarine selected for purchase be capable of operating effectively in all three oceans - Atlantic, Pacific and Arctic.

- That contracts be immediately let for Phase II of the Canadian Patrol Frigate Program.

- That an additional 12 to 18 Aurora aircraft be acquired and that the Aurora fleet be provided with appropriate weapons systems.

- That the acquisition of new shipborne aircraft proceed with dispatch.

- That hydrophonic sensors, monitoring units and command and control facilities providing sub-surface surveillance and warning and the operation direction of the submarine fleet be established in the Arctic Archipelago/Arctic Ocean areas and, where necessary, that similar facilities on the Atlantic and Pacific coastal zones be enhanced or established.

- That Maritime Command acquire a significant mine-countermeasures capability including minehunting and minesweeping vessels.

- That MARCOM be generally equipped to perform a sea-denial role to prevent enemy submarines and surface warships from approaching, entering, and operating in Canadian waters and designated alliance areas of responsibility in the Atlantic, Arctic and Pacific Oceans.

NORAD Commitments

- That the NATO Northern Flank rapid reactor mission of two fighter squadrons be cancelled and that all four fighter/interceptor squadrons based in Canada, once equipped with CF18 aircraft, be assigned solely to continental air defence and other continental defence tasks.

- That Canada acquire an AWACs capability for both peacetime and wartime surveillance and control of Canadian airspace.

- That Canada ensure that the NORAD Space Surveillance Centre in the Cheyenne Mountain Complex continues as a joint Canadian-American operation to assure Canadian acquisition of space knowledge and experience.

- That Canada consider contributing to the manning of the Ballistic Missile Early Warning System (BMEWS) in Alaska and Greenland, the PAVE/PAWS high speed, phased array radars on the U.S. East and West Coast and, if feasible, the Perimeter Acquisition Radar Attack Characterization System (PARS) in North Dakota.

- That the Government consider establishing a national military space program as recommended by the Special Committee of the Senate on National Defence in 1985.

- That Canada, in its own national interest, ensure that it is an effective participant in appropriate space programs and defence systems for continental aerospace defence.

International Peacekeeping

- That Canada's armed forces continue to play an important peacekeeping role but that other defence priorities take precedence at this time. Nevertheless, the Council hopes that Canada's role in international peacekeeping can be significantly enhanced in the future when the strength of the forces has been restored.

- That Canada press for measures to ensure that the costs of peacekeeping responsibilities are more equitably shared by all countries.

- That Canada undertake to increase our participation in the training and development of regional peacekeeping forces. In this respect, the Council supports the suggestion advanced by the recent Special Joint Committee on International Relations that Canada consider hosting a conference on the topic.

- That Canada, through the United Nations, encourage the development of the peacekeeping capabilities of the universal body.

- That Canada, if feasible, expand the role of its peacekeeping forces to include the monitoring and verification of arms control, disarmament, and confidence-building measures.

MANPOWER REQUIREMENTS AND TRAINING

- That Canada's regular and reserve forces be urgently expanded with a view to meeting Canada's personnel requirements for a minimum of 30

days of operations in time of crisis, i.e. Regular Forces - to 115,000, Primary Reserve - to 61,000, Supplementary Reserve - to 25,000.

- That Canada's reserves be provided with modern equipment for their training and use and that reserve units have a regular force component of a least 10% of war establishment. The Council believes that this latter requirement would raise training standards and promote a high degree of readiness.

- That a realistic mobilization plan specifying the missions of Canada's reserves be urgently prepared.

- That supplementary reservists be properly organized and receive an appropriate degree of training to enhance their effectiveness.

- That appropriate emergency and enabling legislation be adopted to ensure the effective availability and readiness of reserves and that necessary amendments be made to the National Defence Act.

- That serious consideration be given to requiring Regular Force personnel to join the reserves for a period on release from their units.

- That in developing the manpower plans for meeting the Force requirements, the Youth Training and Employment Plan (YTEP) be reinitiated and expanded with a view to meeting part of Canada's defence manpower requirements from short-term volunteer resources. The Council believes that YTEP, if expanded, could significantly

contribute to the building of a pool of trained military personnel necessary for mobilization requirements in a national emergency while providing much-needed employment and training opportunities for young Canadians.

NATIONAL PREPAREDNESS

- That, as soon as possible, the Government develop a detailed plan for the rapid mobilization of military and civilian resources in time of national or international emergency.

- That, in order to ensure a national capacity to produce or acquire the necessary equipment needed to sustain Canada's armed forces in time of war, Canada move toward greater cooperation with the United States in the area of defence production. In this respect, the Business Council supports the development of a North American Defence Industrial Base. Nevertheless, it recognizes that Canada must remain reasonably self-sufficient with respect to certain capabilities and technologies.

A CANADIAN PERSPECTIVE

- That the Government of Canada take a more active role in assessing strategic and arms control issues and clearly articulate its positions on national and international security matters on a regular basis. Such a role should be designed to develop the Government's domestic visibility on security issues, enhance its credibility within NATO and Canada-United States forums, and promote the mutual compatibility of strategic and arms control objectives.

- That the government of Canada support and further promote the development of strategic studies, analysis and research in private sector universities, non-governmental institutes and defence associations and organizations.

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SECURITY AND CANADIAN SOVEREIGNTY

- That the Government give particular emphasis to those defence commitments which directly promote Canadian sovereignty.

- That appropriate Canadian Coast Guard ships be armed.

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CANADA'S SECURITY: A QUESTION OF PRIORITIES

- That real annual increases in defence spending of 4-6% be maintained until the end of the 1990s. Such increases, the Council believes, would enable Canada to carry out the necessary minimum re-equipment of its armed forces by the year 2000.

- That future increases in defence spending be financed by reallocating resources from existing government programs and activities and not by adding to the federal deficit.

- That real increases in defence spending be maintained until Canada's proportionate contribution to collective defence is more consistent with that of its NATO allies. In this respect, the Council believes that Canadian defence spending, as a percentage of GNP, should eventually attain the NATO average of over 3.5%.

Footnotes

1. Special Joint Committee on Canada's International Relations, Independence and Internationalism, Ottawa: Queen's Printer, June 1986, p.49.

2. Byers, R.B., Canadian Security and Defence: the Legacy and the Challenges, London: The International Institute for Strategic Studies, 1986, p.10.

3. Department of National Defence, White Paper on Defence: Defence in the 70s, Ottawa: Information Canada, 1971, p.32.

4. Ibid, p.32.

5. Ibid, p.33-34.

6. Senate Subcommittee on National Defence, Canada's Maritime Defence, Ottawa: Supply and Services Canada, May 1983, p.38.

7. Jockel, Joseph T. and Sokolsky, Joel J., Canada and Collective Security: Odd Man Out, New York: Praeger, Published with the Center for Strategic and International Studies, 1986, p.6.

8. Department of National Defence, Backgrounder: Canadian Submarine Acquisition Project (CASAP), July 1986, p.1.

9. Ibid, p.2.

10. Jockel and Sokolsky, p.5.

11. Ibid, p.65.

12. Senate Subcommittee on National Defence, Canada's Maritime Defence, p.38.

13. Department of National Defence, Backgrounder: New Shipborne Aircraft, August 1986, p.4.

14. Senate Subcommittee on National Defence, Canada's Maritime Defence, p.45.

15. Ibid, p.20.

16. Ibid, p.20.

17. Special Committee of the Senate on National Defence, Canada's Territorial Air Defence, Ottawa: Supply and Services Canada, January 1985, p.5.

18. Ibid, p.7.

19. Department of National Defence, Backgrounder: The North American Air Defence Modernization Project, August 1985, p.1.

20. Ibid, p.2.

21. Ibid, p.2.

22. Ibid, p.3.

23. Special Committee of the Senate on National Defence, Canada's Territorial Air Defence, p.17.

24. Ibid, p.17.

25. Department of National Defence, Backgrounder: Peacekeeping A Canadian Contribution to the World, 1986, p.2.

26. Department of External Affairs, Competitiveness and Security: Directions for Canada's International Relations, Ottawa: Supply and Services Canada, 1985, p.25.

27. Ibid, p.25.

28. Special Joint Committee on Canada's International Relations, Independence and Internationalism, p.58.

29. Senate Subcommittee on National Defence, Manpower in Canada's Armed Forces, Ottawa: Supply and Services Canada, 1982, p.41

30. Exley, L.Col.E. "Industrial Preparedness?" Forum. Conference of Defence Associations, May 1987, p.3

31. The Council generally concurs with the following recent inventory:

- STOL, special purpose aircraft and remotely piloted vehicles
- Small gas turbine engines, engine fuel systems and instruments
- Aerial delivery systems; aircrat and personnel locator beacons
- Air crew and air traffic control training simulators
- Electro optic, acoustic and radar sensing and processing systems
- Navigation equipment and systems
- Command, control, communications, and information system (C^3I)
- Security equipment
- Fire control systems
- Special purpose tracked and wheeled vehicles
- NBCW detection devices and personnel protective equipment
- Ships - from patrol boats to supply vessels
- Special marine equipment
- Air to ground rockets, sounding rockets.

From: Yost, William J. Peace Through Security: A Total Defence Approach. Ottawa, Conference of Defence Associations, 1987, p. 134

32. Special Joint Committee on Canada's International Relations, p.47

33. Department of External Affairs. Response of the Government of Canada to the Report of the Special Joint Committee on International Relations. Ottawa Supply and Services Canada, December 1986, p. 46

34. Byers, p.21

35. Sallot, Jeff. "PM Warns U.S. on offensive use of Star Wars," Globe and Mail, May 25, 1987, p. 1

36. Gellner writes: "National security policies which make sense in national terms and which are arrived at independently will also be easier to explain to the wider public and would, therefore, more readily gain acceptance from it." The Defence of Canada: Requirements, Capabilities, and the National Will, Canadian Institute of International Affairs, Vol. XLII, No. 3, 1985, p. 4-5

37. Senate Subcommittee on National Defence, Canada's Maritime Defence, p.34.

38. Ibid, p.34.

39. Ibid, p.43.

40. Jockel and Sokolsky, p.90.

41. Senate Subcommittee on National Defence, Canada's Maritime Defence, p.35.

42. Cox, p.42

43. Special Committee of the Senate on National Defence, Canada's Territorial Air Defence, p.34.

44. Globe and Mail, Friday, April 24, 1987

45. Byers, p.32

46. Ibid, p.32

47. Jockel and Sokolsky, p.9

48. Byers, p.32

49. Gellner, p.15

50. Ibid, p.15

51. Ibid, p.15

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53. Bagnall, James, "Operation Upgrade", Financial Post, December 1, 1986, p.43.

54. Byers, p.43.

55. Special Committee of the Senate on National Defence, Military Air Transport, Ottawa, Supply and Services Canada, 1986, p.59.