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TELEGRAM

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- ALLEN
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 TO SECSTATE WASHDC PRIORITY 4497
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UNCLAS SECTION 1 OF 2 OTTAWA 429
 SUBJ: COMMONS COMMITTEE ISSUES REPORT ON DEFENSE POLICY

1. SUMMARY: IN PRELIMINARY REPORT Tabled MARCH 26,
COMMONS EXTERNAL AFFAIRS AND DEFENSE COMMITTEE RECOMMENDED
CONTINUED CANADIAN MEMBERSHIP IN NATO AND CONTINUED MAINTENANCE
OF FORCES IN EUROPE. COMMITTEE RECOMMENDED, HOWEVER,
THAT FUTURE ROLE OF FORCES IN EUROPE BE KEPT UNDER PERIODIC
REVIEW. COMMITTEE ALSO RECOMMENDED THAT CANADA USE ITS
INFLUENCE TO SEEK DETENTE IN EUROPE AND BALANCED FORCE
REDUCTIONS COMPATIBLE WITH NATO SECURITY. IN STATING
CONCLUSIONS LEADING UP TO RECOMMENDATIONS, COMMITTEE
REJECTED SUCH IDEAS AS NEUTRALITY, DEFENSE-FOREIGN AID
TRADEOFF, SHIFT OF EMPHASIS TO UN-PEACEKEEPING AT EXPENSE
OF NATO, AND BASING FORCES COMMITTED TO NATO IN CANADA.
 ONE LIBERAL PARTY MEMBER AND THREE NDP MEMBERS OF COMMITTEE
 DISSENTED FROM RECOMMENDATION TO KEEP FORCES IN EUROPE.
 END SUMMARY.

2. IAN WAHN, CHAIRMAN OF THE HOUSE OF COMMONS STANDING
 COMMITTEE ON EXTERNAL AFFAIRS AND NATIONAL DEFENCE, Tabled
 ON MARCH 26 THE COMMITTEE'S PRELIMINARY REPORT ON CANADIAN
 DEFENSE POLICY. THE REPORT IS BASED ON EVIDENCE GIVEN
 BY 16 WITNESSES IN OTTAWA AND ON COMMITTEE TRIP TO EUROPE
 AND CYPRUS MARCH 9 - 22. PRELIMINARY REPORT DEALS ALMOST
 EXCLUSIVELY WITH NATO, AND WAS AIMED AT MAKING COMMITTEE
 VIEWS KNOWN PRIOR TO CABINET DECISION ON NATO POLICY
 WHICH IS EXPECTED ON OR BEFORE OPENING OF APRIL 10

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MINISTERIAL MEETING. COMMITTEE CONCLUSIONS AND RECOMMENDATIONS, KEYED TO POLICY QUESTIONS, FOLLOW.

3. IS NEUTRALITY A POSSIBLE POLICY FOR CANADA? COMMITTEE CONCLUDED THAT NEUTRALITY WOULD NOT BE POSSIBLE BECAUSE OF PROXIMITY TO US AND FACT THAT CANADA LIES DIRECTLY BETWEEN US AND USSR. SWEDISH EXPERIENCE INDICATES THAT TO HAVE NEUTRALITY RESPECTED BY BOTH GREAT POWERS WOULD REQUIRE PROHIBITIVELY COSTLY DEFENSE EXPENDITURES.

4. SHOULD CANADA RELY SOLY UPON US PROTECTION? COMMITTEE REJECTED "FREE RIDE" THEORY AND EXPRESSED CONVICTION THAT CANADA MUST BE PREPARED TO INCUR REASONABLE EXPENDITURES FOR ITS OWN DEFENSE IN ORDER TO MAINTAIN ITS INDEPENDENCE AND FREEDOM OF ACTION AS A NATION, AND TO ENSURE THAT CANADIAN INTERESTS ARE TAKEN INTO ACCOUNT WHEN CONTINENTAL DEFENSE MEASURES ARE BEING CONSIDERED.

5. CAN FOREIGN AID BE A SUBSTITUTE FOR DEFENSE EXPENDITURES? COMMITTEE CONCLUDED CANADA SHOULD BE GENEROUS IN AID POLICY, BUT ADDED THAT SUCH EXPENDITURES, AT LEAST IN SHORT TERM, DO NOT PROVIDE SECURITY FOR CANADA AND THEREFORE ARE NO SUBSTITUTE FOR DEFENSE EXPENDITURES.

6. SHOULD CANADA CONCENTRATE ON UN PEACEKEEPING? COMMITTEE ADDRESSED REMARKS TO CRITICS WHO CONTEND NATO MEMBERSHIP HINDERS CANADA IN PEACEKEEPING ROLE. COMMITTEE CONCLUDED THAT ANY DISADVANTAGES AS A PEACEKEEPER WHICH NATO MEMBERSHIP CONFERRED ON CANADA. COMMITTEE ALSO NOTED THAT NATO MEMBERSHIP HAS NOT LED TO CANADA'S EXCLUSION FROM ANY PEACE-KEEPING OPERATION. MOREOVER CERTAIN FORCES EARMARKED FOR NATO ARE ALSO EARMARKED FOR UN SERVICE.

7. WHAT IS EFFECT OF ALLIANCE MEMBERSHIP ON CANADA'S INFLUENCE? COMMITTEE CONCLUDED THAT CANADA'S INFLUENCE WITH OTHER NATIONS OF WORLD, INCLUDING NON-ALIGNED, WILL BE DETERMINED MORE BY DEGREE OF INDEPENDENCE OBJECTIVITY, AND FAIRNESS WHICH CANADA EXHIBITS IN ITS RELATIONS WITH OTHER COUNTRIES THAN BY ITS ALLIANCE TIES. FURTHER CONCLUDED THAT CANADA DERIVES ADVANTAGES FROM BEING ABLE TO PUT VIEWS FORWARD IN NATO, WHERE ISSUES AFFECTING EUROPEAN AND WORLD SECURITY ARE DISCUSSED AND DECIDED.

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8. IS NATO NECESSARY? COMMITTEE CONCLUDED THAT NATO CONTINUES TO OFFER MOST EFFECTIVE MEANS OF PROVIDING FOR SECURITY OF

WESTERN EUROPE. COMMITTEE ALSO IMPRESSED WITH EXTENT OF POLITICAL CONSULTATION IN NAC AND EXPRESSED BELIEF THAT NATO CAN AND SHOULD BE USEFUL INSTRUMENT FOR PROMOTING DETENTE.

9. IS CANADIAN SECURITY INVOLVED IN EUROPE? COMMITTEE ACCEPTED ARGUMENT THAT "FAULT LINE OF CONFRONTATION" BETWEEN SOVIET BLOC AND NATO RUNS THROUGH MIDDLE OF EUROPE. ANY CONFLICT THERE COULD SPEEDILY ESCALATE INTO NUCLEAR EXCHANGE AND CANADA WOULD INEVITABLY BE AFFECTED.

10. IS CANADA OVER-SPENDING ON DEFENSE? COMMITTEE CONCLUDED THAT BY COMPARISON WITH OTHER NATIONS BOTH INSIDE AND OUTSIDE NATO, CANADA'S EXPENDITURES ARE NOT DISPROPORTIONATELY HIGH. THE COMMITTEE ADDED THAT THE FOREGOING DOES NOT MEAN THAT SAVINGS IN DEFENSE EXPENDITURES CANNOT OR SHOULD NOT BE EFFECTED.
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11. DOES NATO PROVIDE AN EFFECTIVE FORUM? COMMITTEE CON-
CLUDED THAT NAC PROVIDES EFFECTIVE FORUM FOR POLITICAL
CONSULTATION, AND THAT IN THIS PROCESS THE VIEWS OF
SMALLER NATIONS, ESPECIALLY WHEN THEY ACT IN COMBINATION,
CAN BE MORE PERSUASIVE THAN IF SUCH VIEWS ARE ADVOCATED
BILATERALLY.

12. WOULD CANADA'S WITHDRAWAL SERIOUSLY DAMAGE NATO?

COMMITTEE CONCLUDED THAT WITHDRAWAL OF CANADIAN FORCES --
DEPENDING ON HOW OR WHEN ACCOMPLISHED -- MIGHT HAVE SOME

OR ALL OF FOLLOWING ADVERSE EFFECTS: CANADIAN ACTION MAY
HAVE "DOMINO" EFFECT ON US OR WESTERN EUROPEANS, EXAMPLE
OF CANADIAN WITHDRAWAL OF FORCES COULD BE USED BY CERTAIN
GROUPS IN US PRESSING FOR SIMILAR ACTION, AND NATO DETERRENT
MAY BE REDUCED IN SOVIET EYES.

13. WOULD BASING OF FORCES IN CANADA FOR SERVICE IN EUROPE
BE FEASIBLE? COMMITTEE CONCLUDED THAT THERE WOULD BE NO
ADVANTAGE IN DOING THIS. COMMITTEE CITED DIMINISHED EFFECTIVE-
NESS OF TRAINING, EXPENSE OF STOCK-PILING, NECESSITY FOR COSTLY
TRANSPORT, DOUBT ENGENDERED CONCERNING RETURN OF FORCES TO
EUROPE IN TIME OF CRISIS, AND PROVOCATIVENESS OF SUCH RETURN.

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14. WHAT SHOULD BE ROLE OF CANADIAN FORCES IN EUROPE?
COMMITTEE DEFERRED JUDGEMENT PENDING FURTHER STUDY.

15. FOLLOWING IS TEXT OF COMMITTEE RECOMMENDATIONS BASED ON ABOVE CONCLUSIONS: (A) CANADA SHOULD CONTINUE TO PLAY AN EFFECTIVE ROLE IN THE PRESERVATION OF PEACE THROUGH MEMBERSHIP IN NATO. (B) CANADA SHOULD CONTINUE TO MAINTAIN FORCES IN EUROPE AS A CONTRIBUTION TO THE COLLECTIVE DEFENCE ARRANGMENTS OF NATO. (C) CANADA SHOULD CONTINUE ITS PRESENT ROLES IN EUROPE UNTIL SUCH TIME AS THE MAIN ITEMS OF EQUIPMENT FOR ITS AIR DIVISION AND MECHANIZED BRIGADE REQUIRE REPLACEMENT. (D) THE FUTURE LONG-TERM MILITARY ROLES OF CANADIAN FORCES ASSIGNED TO NATO MUST BE REVIEWED PROMPTLY, AND KEPT UNDER PERIODIC REVIEW IN THE FUTURE BY THE GOVERNMENT AND BY THIS COMMITTEE, BEARING IN MIND THE DESIRABILITY THAT OUR NATO FORCES SHOULD BE AS COMPATIBLE AS POSSIBLE WITH OUR OTHER FORCES; THAT DECISIONS ON ROLES MUST BE ARRIVED AT IN SUFFICIENT TIME TO NEGOTIATE WITH OUR ALLIES AND, IF NECESSARY, TO ACQUIRE NEW EQUIPMENT AND TO RETRAIN FORCES. (E) THROUGH NATO, CANADA SHOULD USE ITS INFLUENCE TO SEEK DETENTE IN EUROPE AND, WHILE MAINTAINING SECURITY, NEGOTIATE BALANCED FORCE REDUCTIONS AS RECOMMENDED BY HARMEL REPORT. (F) UP TO THE PRESENT TIME, THE COMMITTEE HAS NOT OBTAINED SUFFICIENT EVIDENCE WITH REGARD TO CANADA'S MARITIME FORCES, WHICH ARE EARMARKED TO NATO, TO PERMIT IT TO INCLUDE RECOMMENDATIONS WITH RESPECT TO THEM IN THIS REPORT. THIS SUBJECT WILL BE INVESTIGATED IN THE COURSE OF THE COMMITTEE'S CONTINUING DEFENCE REVIEW. (G) THE COMMITTEE HAS TAKEN EVIDENCE IN CANADA AND OBTAINED INFORMATION IN EUROPE WITH REGARD TO UNITED NATIONS PEACE-KEEPING, CIVIL DEFENCE AND DISARMAMENT. THE COMMITTEE HAS DECIDED HOWEVER, TO DEFER RECOMMENDATIONS ON THESE SUBJECTS TO A LATER REPORT.

16 WARREN ALLMAND, LIBERAL PARTY MP FROM MONTREAL, DISSENTED FROM COMMITTEE RECOMMENDATION TO MAINTAIN TROOPS IN EUROPE. IN STATEMENT TO PRESS WHICH IN EFFECT WAS A MINORITY REPORT, ALLMAND SAID CANADA SHOULD STAY IN NATO BUT PULL TROOPS BACK TO CANADA. HE FAVORS CONVENTIONALLY ARMED, AIR TRANSPORTABLE FORCES EARMARKED FOR NATO. THE THREE NEW DEMOCRATIC PARTY MEMBERS OF THE COMMITTEE (LEWIS, BREWIN,

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AND WINCH) ALSO ISSUED STATEMENTS TO PRESS DISSENTING FROM COMMITTEE REPORT. NDP, ACCORDING TO PRESS REPORT, CALLED FOR CANADA-BASED MOBILE FORCES, REDUCTION IN DEFENSE SPENDING AND CORRESPONDING INCREASE IN FOREIGN AID, AND CALL UPON NATO TO LIVE UP TO CHARTER PROVISIONS BY TAKING ACTION TO HELP RESTORE DEMOCRACY IN GREECE AND ESTABLISH FREE INSTITUTIONS IN PORTUGAL.

17. FULL REPORT FOLLOWS WITH AIRGRAM. LINDER

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