

3.2 Defence

Military Spending

Canada can no longer be considered a country that spends too little on its military. In 2007, Canada moved from the 7th to the 6th highest military spender among NATO's 26 member nations. This move resulted from a 9% increase in the defence budget between the 2006–07 and the 2007–08 federal budgets. This increase aligned with the Harper government's plan to increase military spending to \$20 billion dollars by 2009–10, and the current annual budget of \$18.24 billion puts the government right on track to meet this goal.

But what about other Canadian priorities? The Harper government has committed to fulfill only half of the UN foreign aid spending target of 0.7%; affordable housing shortages and homelessness are at crisis levels; poverty continues to plague large numbers of Canadians; child care and early learning spending ranks close to the bottom among OECD countries. These social priorities have been relegated to the back-seat while the Harper government focuses on military spending and procurement.

The drive to increase military spending and a combat role is applauded by the U.S. adminis-

tration. Canadians, on the other hand, continue to support a leadership role for Canada within international peacekeeping operations. Yet Canada now ranks an abysmal 60th in our overall contribution to peacekeeping forces — lower than Rwanda, Zimbabwe, and Mongolia. The police contribute far more men and women to Canada's current peacekeeping operations than do the armed forces, which have fewer than 20 soldiers participating in UN peacekeeping missions, on average, this year. In contrast, Canada has over 2,500 troops stationed in Afghanistan, and will have spent \$7.2 billion on the full cost of the war in Afghanistan by 2008. Canada's troop commitment to the NATO-led mission in Afghanistan is over 95% higher than our troop commitment to peacekeeping missions internationally.

The focus on Afghanistan is part of the Harper government's plan to shift Canadian military resources from UN-led peacekeeping missions, where Canada has historically played a leading role, to U.S. and NATO-led operations. This shift has never been extensively debated in Parliament; nor does it reflect a change in Canadian public opinion.

TABLE 7

Defence Procurement	Cost (Approx.)	Social Spending	Cost (Approx.)
1 Medium Sized Logistic Truck	\$521,739.00	New City Bus in Timmins, ON	\$450,000
1 Ch-47 Chinook Helicopter	\$111 million	Yearly operating budget of the University of Regina, SK	\$123 million
1 Ch-47 Chinook Helicopter with maintenance package	\$290 million	75 MRI Machines, A new long-term care home in Newfoundland, a new hospital in Nunavut, and 2 new Sports and Recreation facilities.	\$280 million
1 Sikorsky S-92 helicopter (Replacement for the Sea King)	\$114 million	3 New sewage treatment plants in Halifax, NS	\$133 million
1 Lockheed Martin C-130J (Mid-Range Plane)	\$188 million	300 bed Acute Care Facility in the Fraser Valley, BC	\$178 million
1 Large Boeing C-17	\$850 million	70 affordable housing projects	\$826 million

TABLE 8

Medical Equipment needed in Canada to meet OECD levels	Cost per unit	Total Costs
144 CT Machines	Cost approx. \$1.2 million	\$172.8 million
75 MRI Machines	Cost approx. \$2.3 million	\$172.5 million
12 PET* Scanner (Positron Emission Tomography)	\$4 million	\$48 million
Total		\$393.3 million
Department of Defence savings on helicopter purchase due to changes in the exchange rate		\$499.4 million
Funds remaining after fully equipping Canadian hospitals with MRI, CT and PET Scan Machines		\$106 million

* Ontario alone has identified a need for 8–12 PET machines. Thus, this represents a low estimate of the number of machines needed.

Military Procurement

In recent years, Canada has embarked upon the biggest military equipment build-up since the Second World War. The Canadian military will be equipped with new Arctic patrol ships, upgraded frigates, transport and patrol airplanes, trucks, battle tanks, troop carriers, heavy-lift helicopters, and new military bases. Many of these procurements will not only increase Canada's interoperability with the U.S. military, but will also support a larger military force and bolster Canada's ability to participate in complex and aggressive military operations abroad.

The Canadian government has currently committed \$15 billion dollars to military procurements, but analysts suggest that the overall expenditures may total closer to \$22 billion when the billions of dollars required for opera-

tions and maintenance are taken into account. The war in Afghanistan has provided the Canadian government with a justification for current military expenditures. However, most orders will not be delivered until well after the mission (on its current timeline) has ended.

The specific procurements also indicate that the plan is for combat missions in distant theatres of war rather than meeting needs within Canada. For instance, the need for fixed-wing search-and-rescue aircraft, especially on the West Coast, has been put on the back burner while billions have been spent on Cold War-era battle tanks for the army.

With so much money being spent on equipment, the arms industry is enjoying a bonanza. A recent CCPA study found that 40% of military contracts have been deemed non-competitive

by the federal government, driving up the cost of equipment as favoured and well-connected firms, mostly American, scoop up billions of dollars. Even worse, maintenance contracts are not being sourced in Canada, and there are ongoing problems with U.S. rules prohibiting dual-citizenship or foreign-born Canadians from working on these contracts.

The allocation of funds to the Department of Defence comes at a cost to other agencies within the Canadian government, and affects the lives of all Canadians. As Table 7 illustrates, the cost of procuring specific pieces of military equipment has significant social opportunity costs.

The Department of National Defence has decided to purchase 16 Chinook helicopters at a cost of \$4.7 billion. The price tag for the fleet of helicopters includes their manufacture, parts, and maintenance for 20 years. This allotment of \$4.7 billion for the Chinooks was announced in 2006, well before the recent changes in the Canada-U.S. exchange rate, and is based on the Canadian government paying \$US4.18 billion, which at that time equalled \$C4.7 billion. The money that the government will save because of the rising Canadian dollar alone is enough to fully equip all Canadian hospitals to OECD standards, complete with MRI, PET-Scan, and CT Scan machines (*see Table 8*).

The above examples dramatize the huge social sacrifices inherent in these military procurement

GENDER ANALYSIS Defence

A thorough gender-based analysis must be conducted when developing and implementing defence policies.

Women, on average, have lower incomes than men and, as a result, benefit more from increased government spending on domestic social programming. Ensuring that military expenditures do not undermine appropriate investments in Canada's social infrastructure will positively impact women.

Canada's foreign policy shift from one of peacekeeping to one that largely focuses on American-led international military goals diverts resources from communities that benefit from peacekeeping exercises and has a disproportionately negative impact on women and children.

expenditures. The Canadian government cannot find money for affordable housing or a proper national child care program, but has allocated billions to purchase new helicopters.

The AFB believes there should be a full Parliamentary debate on Canada's mission in Afghanistan, and, more broadly, on the role of the Canadian military within Canadian foreign policy, including the rationale for large-scale military procurements. The AFB will conduct a full public review of Canadian defence policy and freeze further spending increases pending the outcome of the review.