



**2024-2025 Research Package**  
**Topic: THW increase defense**  
**spending in Canada to match the**  
**NATO Spending Target**



# Background

## **What is NATO defense spending?**

The North Atlantic Treaty Organization (NATO) defines defense spending as payments made by a national government to meet the needs of NATO's armed forces. Defense spending often takes the form of payments for armed forces, financed by the governments of member nations. Such armed forces include land, naval, and air forces, in addition to joint formations. Other forces, such as interior troops, national police forces, and coast guards can be included within this definition. Spending on defense aims to promote national security.

Expenditure is proportional to a nation's personnel and resources able to be deployed in support of a military force. Retirement pensions, the stockpiling of war reserves of finished military equipment or supplies, peacekeeping and humanitarian missions, research and development (R&D) operations, and associated costs are considered in the NATO defense spending definition. Countries differ in how much they contribute to defense spending.

Debaters are encouraged to research examples of Canadian defense spending and the plans of other NATO members.

## **Why is defense spending relevant?**

Defense spending is a prominent policy issue because of significant threats to peace and security worldwide. On February 24, 2022, Russia began a military invasion of Ukraine, engaging in attacks in the eastern territory of Donbas. Since then, Canada has committed \$4.5 billion in military assistance to Ukraine. The risk of escalating tensions and the conflict's proximity to Europe has pushed defense spending talks to the top of many countries' agendas.

Likewise, China's military exercises and its claims over the disputed waters of the South China Sea are of concern to Canada, Australia, the United States, and other NATO allies. Chinese military activity in the Western Pacific amounted to 7% of its total defense budget in 2023. This summer, the Canadian military encountered a Chinese polar research vessel in the Bering Strait off the coast of Alaska. Russian and Chinese bombers flew together for the first time in international airspace in late July off the Alaskan coast.

In light of Chinese and Russian aggression, and rising instability in the Middle East, Canada is under pressure to match and surpass the NATO military spending target of 2% of its annual Gross Domestic Product (GDP). U.S. Senator Roger Wicker, the highest-ranking Republican on the Armed Services Committee, labeled Canada's inability to reach the target as "shocking and unacceptable." News of Poland's growing emphasis on military expenditure to halt Russian aggression compelled the Canadian federal government to announce a defense spending investment of \$8.1 billion over five years. Summer estimates indicate that current Canadian defense spending sits near 1.37% of annual GDP.

## What are the origins of the NATO spending target?

In 2014, NATO heads of state and the governments of member nations agreed to commit 2% of their national GDP to ensure the Alliance's continued military readiness. This decision was made in response to Russia's illegal annexation of Crimea, a peninsula in Eastern Europe, and amid tensions and insecurity in the Middle East. NATO states that the guideline is "an important indicator of the political resolve of individual allies to contribute to NATO's common defense efforts."

## Questions to Consider

- *How are Canadians affected by increases in national defense spending?*
- *Which countries or stakeholders are pressuring Canada to match the NATO spending target?*
- *What are the alternatives to the expansion of NATO spending?*
- *Why might lawmakers cap military expenditures?*
- *Who benefits from the existence of a NATO spending target? Who is disadvantaged?*
- *Where in the world should Canada ramp up or withdraw its military presence?*
- *To what extent should Canada's government intervene in international affairs?*

Links:

[Defence expenditures and NATO's 2% guideline](#)

[Canada expects to hit NATO defence spending target in 2032, Trudeau says](#)

[Trudeau says Canada can meet NATO's military spending benchmark by 2032](#)

[Our North, Strong and Free: A Renewed Vision for Canada's Defence](#)

[More to do on defense, Trudeau says after meetings with Polish leaders in Warsaw](#)

[Canadian donations and support to Ukraine](#)

[Canadian military encounters Chinese research vessel in Arctic, warns competitors are 'probing' infrastructure](#)

[Canada can't meet NATO spending target without serious fiscal consequences](#)

