



CANADA

NATO Country Assessment — *TIER THREE* —

VOTERS DEMAND REARMAMENT • CHINA DELUSION • CHRONIC FREE-RIDER



JULY 2026



TIER 3

Lagging Ally



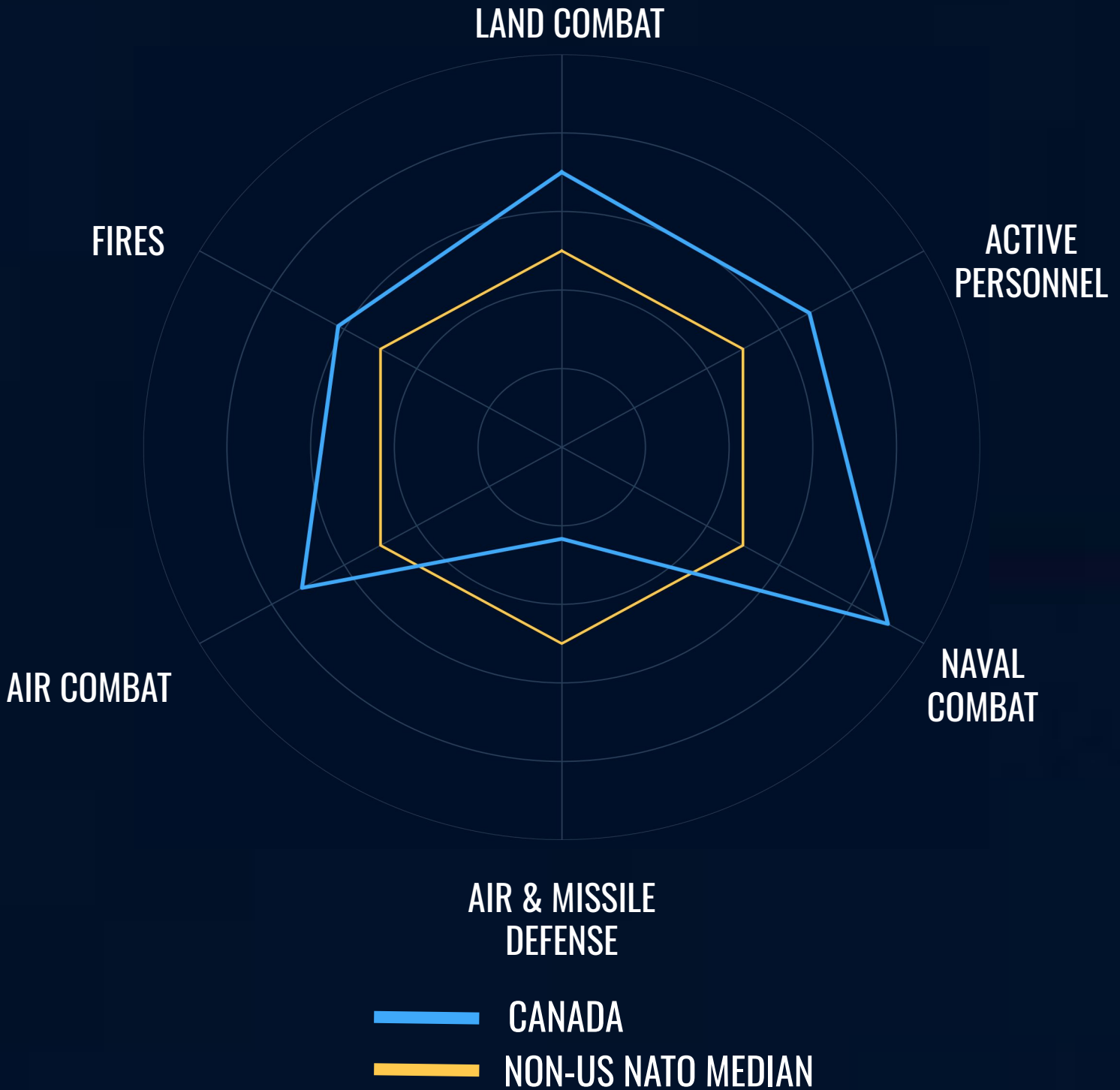
AT A GLANCE

Toplines

- **The Canadian People Reject Carney's Weakness:** Public support for defense spending surged dramatically through 2025, with three in four Canadians now favoring increases and 72% backing the Hague 5% commitment.
- **Carney's Dangerous China Delusion:** Carney's January 2026 Beijing visit was explicitly framed as finding alternative partners to the US. Canada undermines NATO and our shared interests when it courts Beijing.
- **NATO's Wealthiest Chronic Free-Rider:** Canada is a G7 economy with the fifth-largest GDP in NATO that spent roughly 1.3% of GDP as recently as 2023, arriving at 2% only after decades of neglect while smaller and less wealthy allies carried the burden Canada refused to share.



FORCE STRUCTURE AT A GLANCE



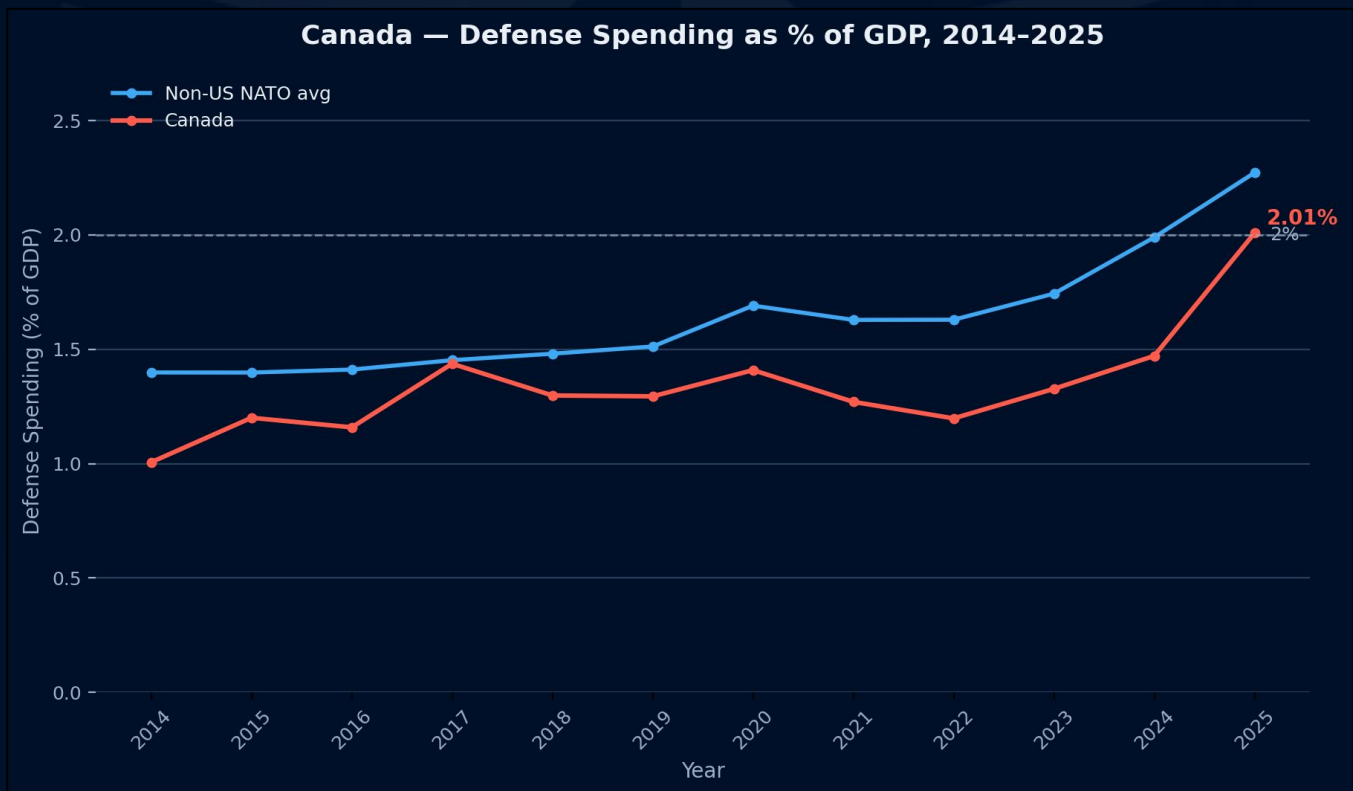
This radar chart compares a country's force structure to the Non-US NATO median (data from IISS's 2026 Military Balance) across six capability areas: Land Combat (tanks, IFVs), Active Personnel (total active-duty troops), Naval Combat (submarines, destroyers/frigates/corvettes), Air & Missile Defense (long/medium-range SAM systems), Air Combat (4th-gen+ combat aircraft), and Fires (artillery, rocket launchers). Scores are weighted, with modern platforms counted fully and legacy platforms counted at reduced weight.



MILITARY CONTRIBUTIONS

Defense Spending Level

Canada's [defense spending](#) trajectory is the most embarrassing among major NATO allies relative to its wealth and global standing. NATO figures show Canada spending was among the alliance's lowest at approximately 1.3% of GDP in 2023, before the Carney government achieved the 2% benchmark for 2025–2026. Canada accepted the Hague framework commitment to 3.5% core defense plus 1.5% defense-related spending by 2035, but there is no credible fiscal framework for reaching 3.5%, let alone 5%. The spending jump to 2% is real but arrives after decades of consistent underinvestment by one of the alliance's wealthiest members, a G7 economy with the fifth-largest GDP in NATO. The strategic issue is consistency: Canada's new posture starts from a severely hollowed-out baseline and depends on sustained political will across a government that historically free-rides on other allies.

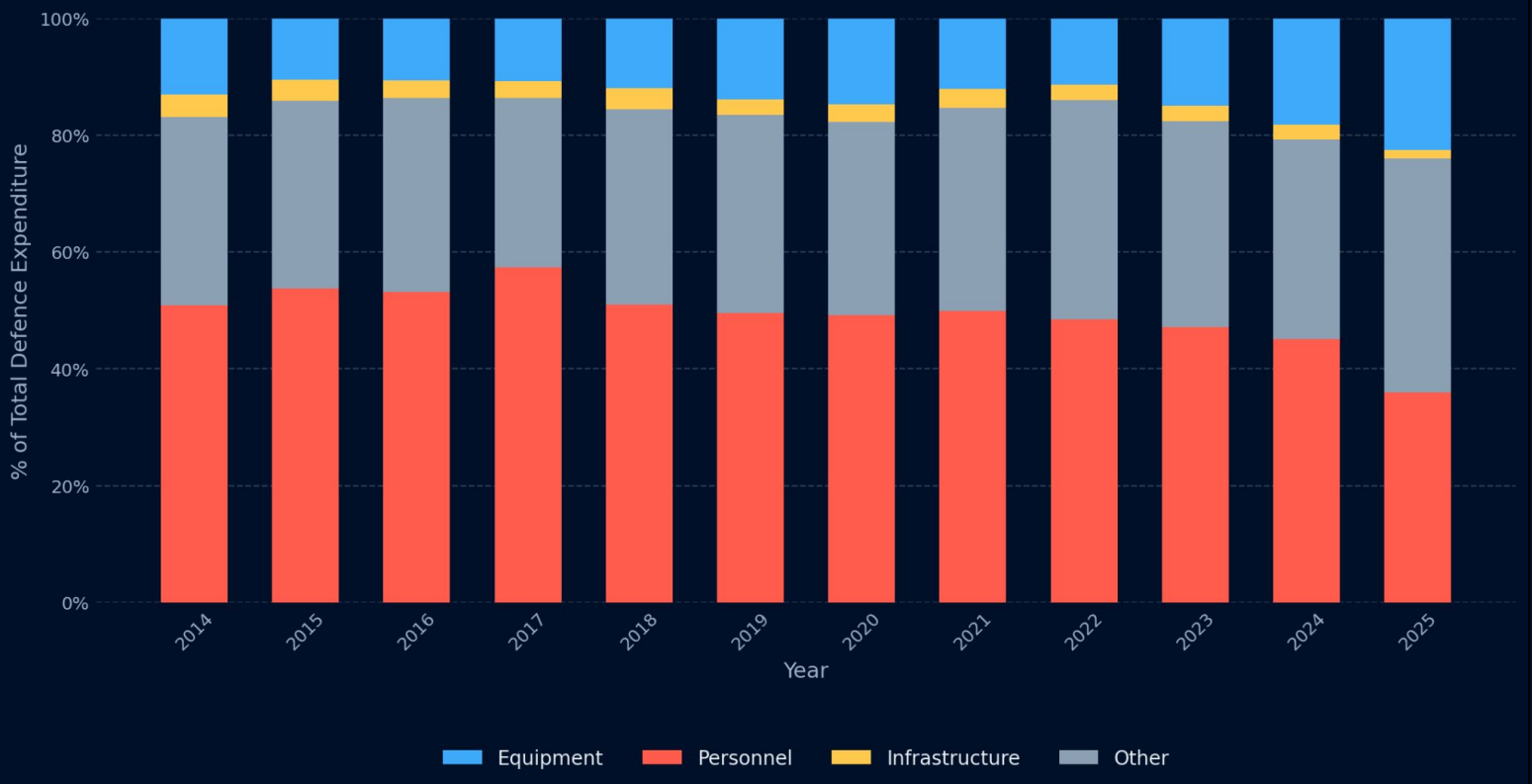


MILITARY CONTRIBUTIONS

Equipment Share

Canada's [equipment share](#) has risen meaningfully if slowly over the years. It reached the NATO target of roughly 20% of total defense expenditure in 2025. Personnel has fallen from roughly 50% in 2014 to approximately 36% in 2025, a genuine rebalancing. But the "Other" category (which includes procurement-adjacent and operational spending) has dominated the budget throughout, consistently running at 30-35%. The equipment gaps are severe across every service like the aging CF-18s, 1990s-era Halifax frigates, and outdated Arctic surveillance infrastructure, with the two dominant modernization programs, 88 F-35s and 15 surface combatants, both behind schedule and over budget. Equipment share is finally moving in the right direction, but the gap between contracted and delivered capability remains the defining Canadian defense story.

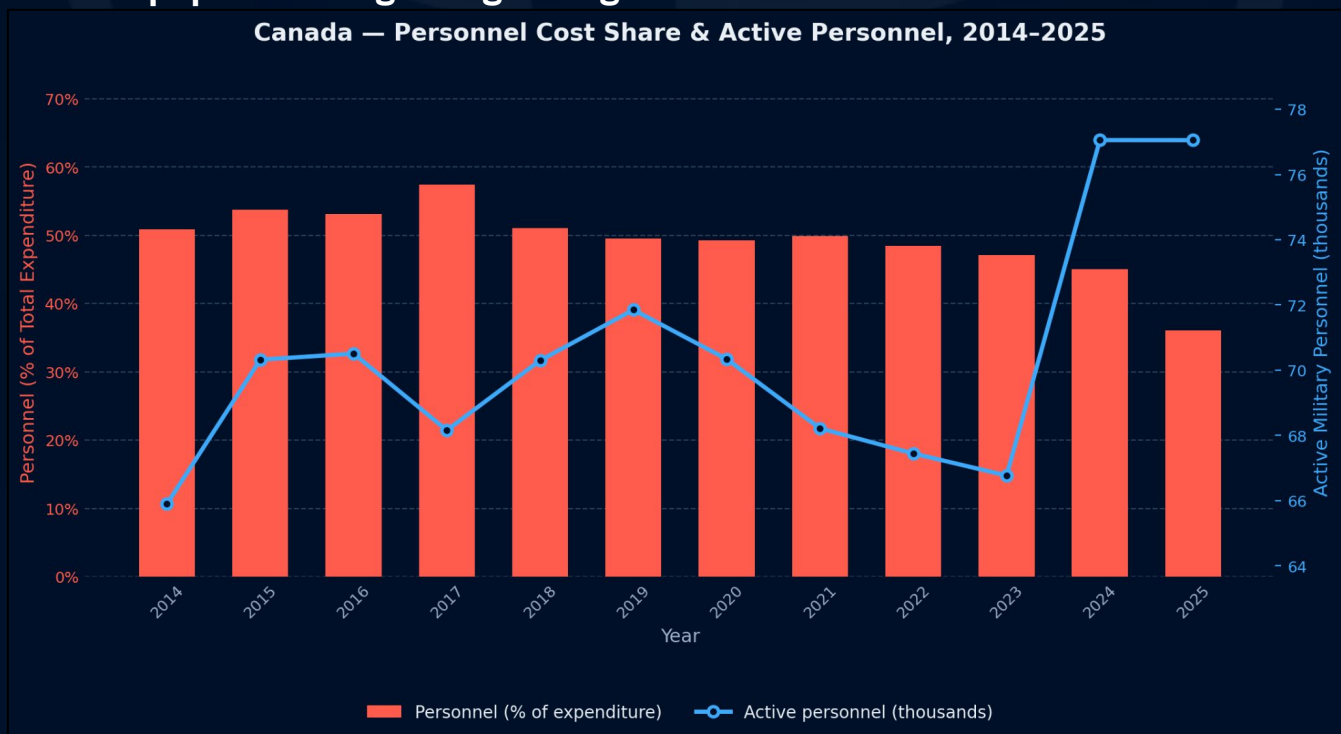
Canada — Defence Expenditure by Category, 2014-2025



MILITARY CONTRIBUTIONS

Manpower & Recruitment

Canada's [personnel picture](#) shows a force trying to reverse a decade of decline. NATO data shows active personnel oscillating in the high-60s to low-70s through most of the decade before sliding to a low of 66,768 in 2023. The reversal since has been sharp: personnel jumped to 77,056 in 2024 and held flat at 77,054 in 2025, the steepest single-year move in the series. This tracks the most aggressive recruitment push in years: 6,706 recruits enrolled in 2024–2025, a 55% increase over the prior year and a 10-year peak. But net recruitment minus attrition (6,706 against 5,026 departures, a gain of roughly 1,700) doesn't obviously explain a 10,000+ jump in the NATO-reported total. Between April 2022 and March 2025, [one in thirteen applicants](#) made it through the recruitment pipeline, with more than half withdrawing within 60 days. [Attrition is also worsening](#), with 5,026 leaving in 2024–2025 versus 4,256 the year before. The personnel cost share is falling because the equipment budget is growing faster than the headcount.



MILITARY CONTRIBUTIONS

Capability Modernization

Canada's [modernization program](#) is serious but struggling to realize it. The headline programs: 88 F-35As contracted in 2023, 15 River-class surface combatants through Irving Shipbuilding (deliveries not expected until the 2030s, behind schedule), 12 new conventionally-powered submarines to replace four aging Victoria-class boats, and a [\\$38.6B NORAD modernization](#) plan covering Arctic radar, northern airfields, and space-based surveillance. The NORAD investment is Canada's most urgent because the existing North Warning System predates cruise and hypersonic missile threats entirely. As Canada attempts to make up for years of underinvestment, delivered capability lags commitment across every service.



MILITARY CONTRIBUTIONS

Force Posture

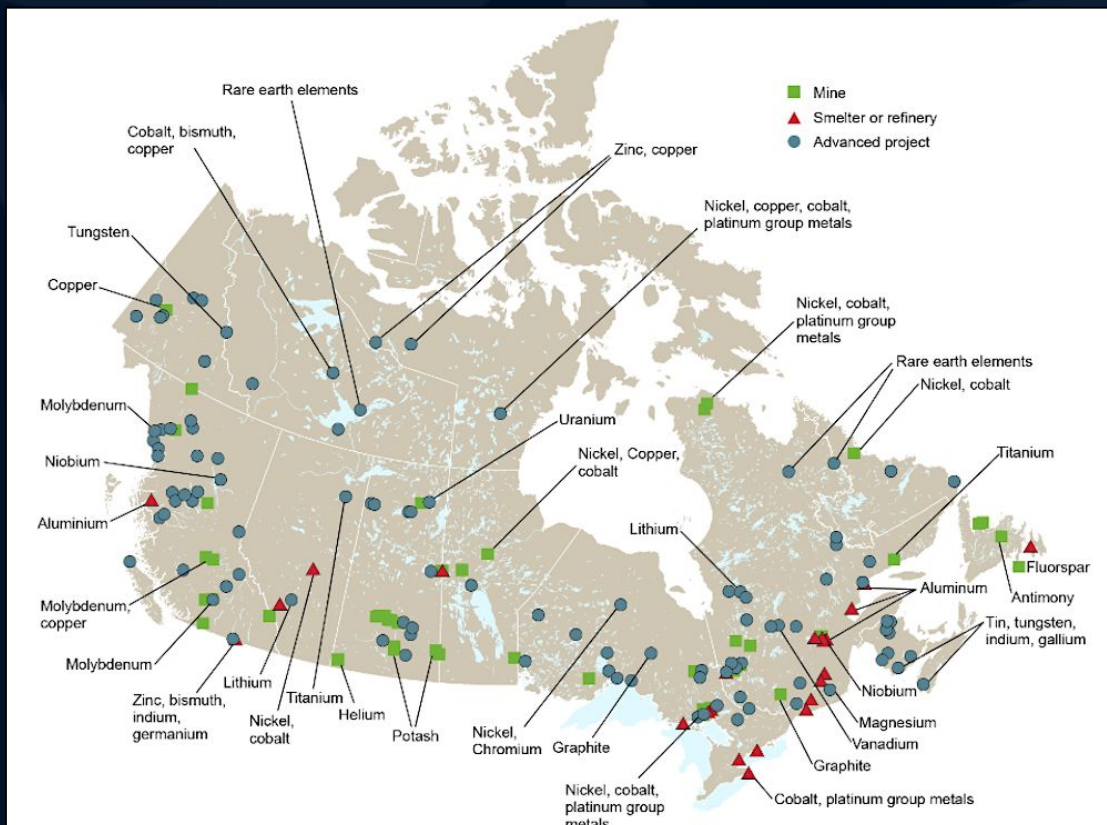
Canada's force posture rests on two unique contributions: NORAD bi-national command with the US and framework-nation leadership of NATO [Multinational Brigade Latvia](#), with approximately 2,000 CAF personnel deployed under Operation Reassurance. The Latvia brigade achieved full multinational structure in October 2024 and conducted its first complete brigade exercise in November 2024. Operation Unifier deploys roughly 350 personnel training Ukrainian forces across the UK, Poland, and Latvia—the alliance's longest-running Ukraine training mission. The gaps are significant: NORAD's North Warning System is dangerously outdated, Arctic basing and sustainment infrastructure is weak relative to the threat, and Canada has no major permanent basing outside North America and Latvia.



MILITARY CONTRIBUTIONS

Industrial Base

Canada's [defense industrial base](#) has genuine strengths: Irving Shipbuilding building 15 River-class combatants, Magellan Aerospace manufacturing F-35 components, Pratt & Whitney Canada producing turbine engines. These companies are heavily integrated into the American defense industrial base. PM [Carney has stated](#) a goal of reducing US defense-industrial dependence, but this is political posture rather than structural reality. Canada's most strategically significant raw-material contribution is its critical minerals position: it holds major reserves of nickel, cobalt, lithium, and rare earth elements essential to batteries, electronics, and precision munitions—resources NATO increasingly needs to onshore. Munitions production capacity remains limited by European standards.



STRATEGIC ALIGNMENT

Declared Posture

Canada's declared posture is anchored in the April 2024 [Our North, Strong and Free](#) defense policy update and the \$38.6B NORAD Modernization Plan announced in June 2022. On Russia, Canadian doctrine tracks NATO 2022 but frames the threat primarily through the Arctic and continental-defense lens. Highlighting increased Russian long-range aviation, cruise and hypersonic missile activity, and submarine presence in North American approach zones rather than European deterrence. On China, Canadian doctrine has hardened materially: the 2024 policy warns about Chinese dual-use research vessels in Canadian Arctic waters, Chinese disinformation and foreign interference targeting Northerners, and adversary interest in Arctic connectivity and infrastructure. Canada belatedly banned Huawei and ZTE from 5G in May 2022, and PM Carney's January 2026 China visit represents a dangerous delusion about where Canadian security lies. On Iran, Canada designated the IRGC as a terrorist entity in June 2024. Canada's posture is improving, but the gap between declared strategy and government action is inconsistent.



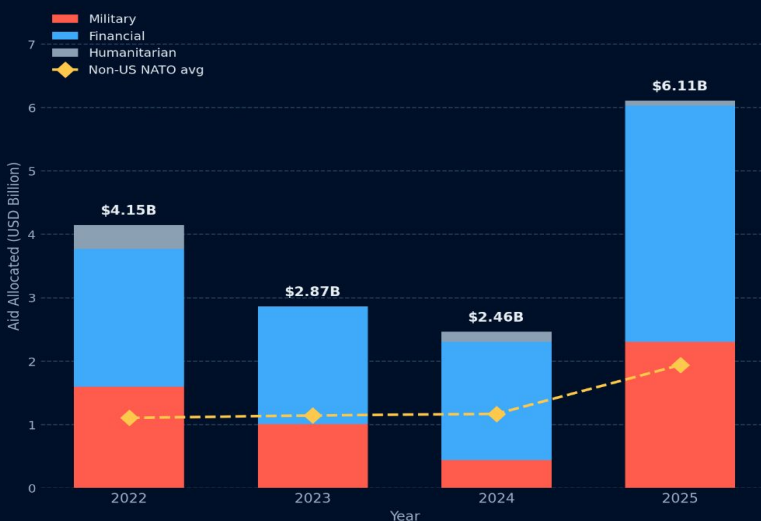
STRATEGIC ALIGNMENT

Ukraine Support

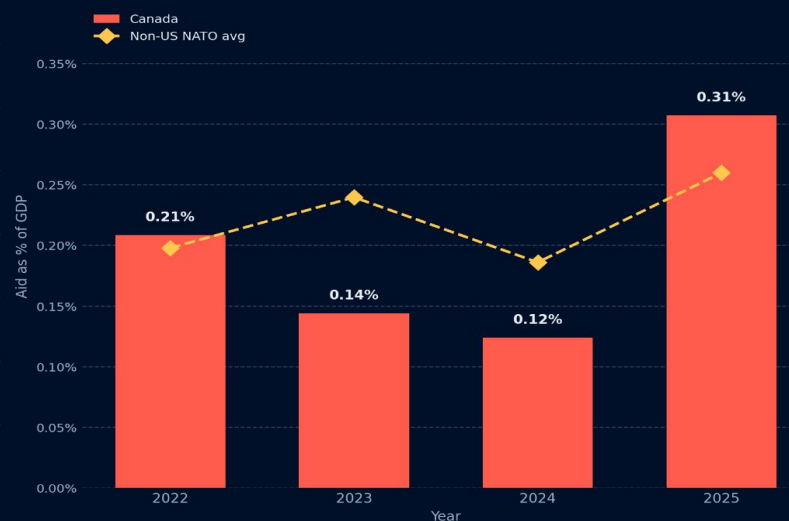
Canada's [Ukraine aid](#) picture shows a clear trend: support dropped from \$4.15B in 2022 to \$2.46B in 2024 before surging to \$6.11B in 2025, driven overwhelmingly by financial aid rather than military transfers. As a share of GDP, Canada tracked below the non-US NATO average in 2023–2024 before recovering to 0.31% in 2025. Military aid has remained modest throughout (8 Leopard 2 tanks, one NASAMS battery, M777 howitzers, 200+ armored vehicles) trailing Nordic, Baltic, Polish, and Dutch peers in direct transfers. Canada's highest-value contributions are structural: Operation Unifier has trained 47,000+ Ukrainian personnel since 2015, the Air Task Force delivered 23M+ pounds of allied military aid by September 2024, and Canada has committed [\\$8.5B in military assistance](#) through 2029. The training and logistics architecture matters, but the weapons volume does not match Canada's wealth.

Canada — Ukraine Aid, 2022–2025

Canada: Aid to Ukraine by Type



Canada: Aid to Ukraine as % of GDP



STRATEGIC ALIGNMENT

Russian Decoupling

Canada has no Russian energy exposure to decouple from and is a major net exporter of oil, gas, hydroelectricity, and uranium, with no Russian pipeline gas or Rosatom nuclear dependency. The decoupling challenge is Arctic and sanctions-based: Canada has supported every G7 Russia sanctions package, added 100 shadow-fleet [vessel designations](#) in early 2026, and is active on oil price-cap enforcement.



STRATEGIC ALIGNMENT

Public Support & Political Resilience

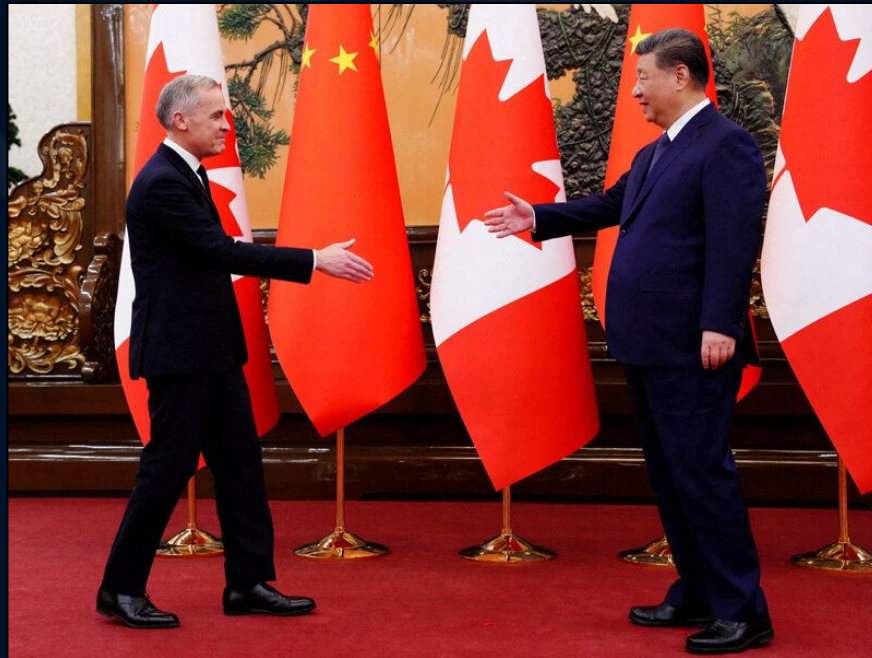
In the [2024 NATO survey](#), 72% of Canadians said they would vote to stay in NATO, 63% agreed Canada should defend another NATO ally if attacked, and around 67% supported continuing to provide Ukraine assistance. Thirty-nine percent favored increased defense spending in 2024, a figure that rose sharply through 2025 as US conditionality around Article 5 sharpened public threat perception, with [2025 Nanos polling](#) showing three in four Canadians want to increase defense spending alongside growing support for European and NATO alignment. Prime Minister Carney's Liberal government met the 2% GDP target and pledged 5% by 2035 at the Hague summit, with [EKOS polling](#) in 2026 finding 72% supporting the five percent commitment. The Conservative Party under Poilievre is staunchly pro-NATO on spending, while the NDP remains lukewarm on defense spending increases.



STRATEGIC ALIGNMENT

Hedging Behavior

Canada's hedging behavior record is increasingly delusional. The positives are real: no BRI participation, no adversary arms procurement, no Moscow or Tehran engagement, Western-only procurement across F-35, P-8A, NASAMS, and River-class combatants. But the negatives are also worrying. Canada was the last Five Eyes member to ban Huawei from 5G (four years after Australia) with Chinese-linked Arctic infrastructure interest already a documented concern before Ottawa finally acted. Carney's [declaration for strategic autonomy](#) only weakens NATO and is a gift to autocrats in Moscow, Beijing, and Tehran. Carney's January [2026 Beijing visit](#), explicitly framed as reducing US dependence and finding alternative partners, emboldens China at exactly the moment NATO allies are hardening against Beijing. China can never be a fair partner and pursuing that relationship only opens up Canada to a predatory aggressor. For an ally with Arctic sovereignty responsibilities and critical minerals China actively covets, the direction Carney is pointing is a genuine concern, not just an ambiguity.



STRATEGIC ALIGNMENT

Operational Cooperation

Canada has a long track record of supporting US-led operations—contributing 40,000 troops to [Afghanistan under ISAF](#) and to [coalition operations in Iraq](#)—and maintains the alliance’s most integrated bilateral defense relationship with the United States through NORAD. The Latvia framework-nation role is Canada’s major European contribution, with approximately 2,000 CAF personnel deployed and a full multinational brigade structure achieved in October 2024. On recent US operations, Canada’s posture has been more cautious. Carney did not join Operation Epic Fury and has been disappointingly unfair in his criticisms of US military actions to maintain security in the Red Sea and Venezuela. Canada did not participate in Operation Prosperity Guardian or EU Operation Aspides. The operational picture is a country that has been a reliable US partner historically but is now navigating a more arms-length relationship with Washington under Carney, concentrated on continental defense and NATO’s eastern front rather than expeditionary operations alongside the US.

