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Chair

Mr. Stephen Fuhr

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• (1100)

[English]

The Chair (Mr. Stephen Fuhr (Kelowna—Lake Country, Lib.)): I would like to resume our study on the Royal Canadian Navy, naval readiness in the defence of North America, the part the Coast Guard may play in those tasks, and how they intersect.

I would like to welcome, from the Department Fisheries and Oceans, Mario Pelletier, deputy commissioner, operations, Canadian Coast Guard; and Jeffery Hutchinson, deputy commissioner, strategy and shipbuilding, Canadian Coast Guard.

Thank you very much for coming today, gentlemen.

Mr. Pelletier, you have the floor.

Mr. Mario Pelletier (Deputy Commissioner, Operations, Canadian Coast Guard, Department of Fisheries and Oceans): Thank you very much.

Good morning, everyone. I appreciate the opportunity to speak to you today about the close relationship between the Royal Canadian Navy and the Canadian Coast Guard.

I would like to start by offering my regrets on behalf of Commissioner Thomas, who really wanted to appear today. Unfortunately, she was pulled away.

[Translation]

I am going to share my speaking time with my colleague the Deputy Commissioner of Strategy and Shipbuilding. I will speak about our mandate, the enforcement of the act, as well as search and rescue, and my colleague will speak to you about operations in the Arctic, and collaboration and training.

[English]

I will start with the mandate.

[Translation]

Our mandates include a lot of similarities. The Royal Canadian Navy and the Canadian Coast Guard work very closely together. It's a relationship by design. If you take a look at the mission statements that guide both our organizations, you will see that security features in each of them. The overlap is mutually beneficial; I believe that, especially concerning our search and rescue system—which I'll speak to in a moment—we've become indispensable partners.

[English]

Of course, there are fundamental differences between our two organizations.

The navy operates a combat-capable multi-purpose fleet to support Canada's effort to participate in security operations around the world, whereas the Coast Guard operates a multi-purpose civilian fleet that supports economic prosperity while contributing to the safety, accessibility, and security of Canadian waters.

We have a broad footprint, and we are present in many communities. As members of Parliament or any of us who have served at sea know, Canadians depend on the Coast Guard to facilitate the safe movement of goods in Canadian waters.

[Translation]

Enhancing the Coast Guard's security mandate has been a topic at this committee in the past. Previous governments have considered arming the Coast Guard and providing it with the authority to enforce federal laws in Canadian waters.

In 2010-11, we looked very closely at how armed coast guards in the U.S., U.K., Norway and Denmark operate, and discussed whether or not options could be developed to arm the Canadian Coast Guard.

Within the SAR environment, arming our vessels wouldn't make much of a difference. For other operations such as fisheries patrols, drug interdiction, and sovereignty patrols in the Arctic, it would be beneficial. Ultimately, however, the government decides the responsibilities and functions of the Canadian Coast Guard, and we operate within that framework.

Let's talk now about Canadian Coast Guard contributions to security organizations.

The Coast Guard currently acts as an enabler to security organizations. We work with five federal partners—the Navy, Canadian Border Service Agency, the Department of Fisheries and Oceans, The Royal Canadian Mounted Police and Transport Canada—and contribute to those organizations in three areas: providing ships and helicopters to security and law enforcement agencies; using ship surveillance systems and expertise to identify on-water threats in Canadian waters and approaches; and collaborating with security partners to define priorities, identify gaps, and improve the domestic and international maritime security regime.

•(1105)

[English]

We also collaborate with MSOCs, or the Marine Security Operations Centres. Maintaining and strengthening marine security in the Arctic is a highly collaborative and integrated effort led by the government's three marine security operation centres. The MSOCs are staffed with representatives from DND, RCMP, Canada Border Services Agency, Transport Canada, and the Department of Fisheries and Oceans, including the Coast Guard.

On the search and rescue front, the Canadian Coast Guard is the lead organization in the marine component of the federal search and rescue system. Across the country, we aim for a reaction time of 30 minutes, whether we are tasked at noon on Wednesday or at 2 a.m. on Sunday.

Achieving this ambitious target requires close collaboration with the Canadian Coast Guard Auxiliary and, of course, the Canadian Armed Forces.

When you look at the map and realize that our domain spans 250,000 kilometres of coastline across the three oceans, it's easy to see why the Canadian Coast Guard works so hard to maintain a strong working relationship with its SAR partners.

Going back to our reaction-time target, another important component I haven't mentioned yet is the joint rescue coordination centres in Halifax, Trenton, and Victoria. As the name implies the JRCCs are operated jointly by the Canadian Armed Forces and the Coast Guard personnel and are responsible for SAR monitoring, alerting, and emergency response.

If I'm painting a picture of mutual dependency between our organizations, that's a good thing. It's how the Coast Guard operates, especially when it comes to SAR.

[Translation]

With respect to SAR operations, joint task force commanders in the Atlantic and Pacific have the authority to task any and all resources from the navy, army, and air force.

Navy warships are frequently asked to provide primary SAR readiness when operating in Atlantic waters.

Air force aircraft, particularly the rotary-wing Cormorant and Griffon helicopters and the fixed-wing Buffalo and Auroras or Hercules are also very active within the maritime SAR system.

[English]

Mr. Jeffery Hutchinson (Deputy Commissioner, Strategy and Shipbuilding, Canadian Coast Guard, Department of Fisheries and Oceans): Good morning, everyone. My name is Jeff Hutchinson. I am the deputy commissioner for strategy and shipbuilding at the Canadian Coast Guard. As I start, I just want to say thank you for having us this morning. We're always happy to speak about the Coast Guard.

The Coast Guard is sometimes referred to as the senior federal partner in the Arctic because of the length of time we spend there and the number of services we provide. Our coverage is from east to

west in the archipelago, and ranges as far north, as many of you would know, as the North Pole.

We support and work with many other federal departments in a large scientific community, and sometimes we work with foreign vessels as well in the Canadian Arctic. We have operated in the north for over 50 years. Cumulatively, our captains who operate in the Arctic have hundreds of years of combined experience in those waters. We have a proud history of serving in the north, and we provide a range of services, including icebreaking, resupply to remote communities, aids to navigation—which are things like radar, buoys, and telecommunications systems—and, of course, traffic services. All of that is in addition to what my colleague has already described.

Canada is a coastal nation, a marine nation, and a trading nation. We have the longest coastline in the world. Safe and secure shipping, of course, is crucial to our economic development. The Arctic is no exception in that regard.

Most recently, we provided advice and participated in planning meetings and training opportunities and exercises in advance of the August 2016 voyage of the *Crystal Serenity*. This included the Northwest Passage tabletop exercise, which included several Canadian federal departments and also the U.S. Coast Guard. We wanted to evaluate, through those exercises, the inter-agency collaboration and dependencies, and we wanted to make sure that the best planning possible was in place for a ship that represented new, novel risks for everyone involved.

As traffic in the Arctic increases, we anticipate that our close relationship and interoperability with the navy will be increasingly important. The Canadian Armed Forces has been ramping up its presence in the north since about 2002, and each year the navy deploys patrol ships that accompany Coast Guard vessels during its annual Arctic patrol activities.

The addition of six ice-capable Arctic offshore patrol ships to the navy's fleet is welcomed by the Coast Guard. I'm not sure whether it was Commissioner Thomas or Rear-Admiral Lloyd who first said it, but now we all say that nationally our organizations operate as two sides of the same coin. This is most true in the Arctic. We are working side by side with the navy to plan for a future in which Canada's Arctic sea presence is significantly augmented by the Harry DeWolf-class vessels.

One notable contribution to maritime security that the Coast Guard makes is the implementation of the long-range identification and tracking system. LRIT, as it's commonly called, allows the marine security operations centres to identify and monitor 1,000 vessels each day from a distance of over 2,000 nautical miles.

The MSOCs came out of the 2004 national security policy, and they've been successful in providing the navy and the Canadian Coast Guard with an enhanced level of awareness throughout the maritime Arctic domain, and over all Canadian waters.

•(1110)

[*Translation*]

The opening of Arctic waters, combined with a dynamic global security environment, requires constant communication and information-sharing between Coast Guard and the navy. The threats that exist in our Arctic are too large and too complex to handle without close co-operation and collaboration with our partners, notably the Royal Canadian Navy and the United States Coast Guard.

The Coast Guard participates in a number of conferences, namely the Arctic Coast Guard Forum, North Pacific Coast Guard Forum, the North Atlantic Coast Guard Forum, and the Canada-U.S. Coast Guard Summit.

Many if not most of the Coast Guard partners we work with internationally are paramilitary organizations. Although there isn't always a navy presence at those events I just mentioned, the Coast Guard represents the interests of the navy by proxy.

[*English*]

Privately and publicly, it is very important that the Coast Guard's interest and the navy's interest in messaging align with one another and with those of our allies, especially on matters that generate a lot of attention, such as Arctic security.

In October, the commissioner spoke at the Maritime & Arctic Security & Safety Conference in St. John's. Canadian Armed Forces and U.S. Coast Guard representatives were also there, including Brigadier-General Nixon, commander of Joint Task Force North, and Rear-Admiral Steve Poulin, U.S. commander of the first Coast Guard district.

The Coast Guard communicates with the Navy and our domestic and U.S. partners before attending conferences like MASS or similar forums. We all recognize that maritime security in the Arctic requires a team approach, and it's important for the public to hear a clear, congruent voice on how to address the broad range of issues that fall within that topic.

Deputy Commissioner Pelletier spoke earlier about the different ways the Navy and the Coast Guard are working together at the operational level, and I'm sure you know that we continue to look for areas for further co-operation.

The Navy and the Coast Guard are in a similar situation with operational readiness and the availability of assets. Both organizations are working hard to keep our aging vessels maintained and active, while our future fleets make their way out of their respective shipyards.

There's a requirement for senior leadership to find efficiencies to provide Canadians with high levels of service within our shared domain. To do that, our organizations initiated something called Staff Talks, which is a forum for our organizations to work strategically at the highest levels. From 10,000 feet our senior staff examine everything from logistic support to leadership training, recruitment, shipbuilding, and maritime domain awareness.

The navy and the Coast Guard also held a workshop at the end of the summer to develop a joint concept of operations specifically for

the Arctic. This joint meeting was aimed at ensuring greater interoperability and sharing of knowledge to improve operational delivery and outcomes.

On the shipbuilding side, the navy and the Coast Guard are working collaboratively as part of the national shipbuilding strategy. We are exchanging information-sharing best practices and working with Vancouver shipyards to advance our respective projects. We work together and train together, and within Canadian waters we have a security mandate that seeks the same ends.

Navy personnel attend courses at the Coast Guard College in Sydney, Nova Scotia, and as of 2013 naval reserve personnel are eligible to work in the Canadian Coast Guard's inshore rescue boat program and operate our rigid inflatable vessels.

This year, the Coast Guard was proud to be invited by the Navy League of Canada to participate in Navy Day, an event that recognizes the important work performed by Canada's sailors and that celebrates this country as a maritime nation.

Additionally, in June 2017, the Coast Guard and the navy will be hosting a maritime gala to honour and celebrate 150 years of maritime service to Canadians. The Coast Guard's involvement in these events is symbolic of the increasing ties between the two organizations.

The navy and the Coast Guard are united by common interests through shared challenges. I'm not referring only to security concerns that continue to emerge in the Arctic and elsewhere, but also to common budgetary, operational, and logistical challenges unique to operating in the maritime environment.

The navy is and will continue to be a deeply valued and indispensable partner of the Canadian Coast Guard.

With that, I'll finish, and I welcome your questions and comments.

•(1115)

The Chair: Thank you very much to both of you for your comments this morning.

I'm going to try to save a little time for the end, so that we can go through some committee business and talk about our subcommittee report we had on Tuesday. I expect that will take about 15 minutes at the most.

Having said that, I want to yield the floor to Mr. Fisher.

You are first in the seven-minute round of questions.

Mr. Darren Fisher (Dartmouth—Cole Harbour, Lib.): Thank you, Chair.

Thank you, gentlemen, for being here. I appreciate your comments. I appreciate the knowledge you have shared with us today.

I'm thinking about some of the comments both of you made. You talked about the close relationship. You talked about the fact that it's a relationship by design—I think Mario said that—and that the overlap is mutually beneficial.

Jeff, you said it's increasingly important to expand this relationship and to look for further areas of operation. You also talked about the fundamental differences but you didn't talk about the differences as much. It seems as though there's more overlap than there are differences and that they are more in line other than that one's combat-ready and one is about civilian ships.

I want to bring this back to talk about defence spending and our commitments to spending around 2% of our GDP to meet our NATO commitments. The Coast Guard has its own budget separate from DND's; I believe that's the case. In the States it's different; everything is under the umbrella of defence. Is that correct?

Mr. Jeffery Hutchinson: It's not exactly correct. While the Coast Guard in the U.S. is a military organization, it's part of the national Homeland Security department. Its funding comes through NHS, rather than through the military.

Mr. Darren Fisher: Both have separate budgets in Canada, right?

Mr. Jeffery Hutchinson: That's correct.

Mr. Darren Fisher: Can you paint us a picture of whether there have ever been those discussions about us being so similar, sharing so much, and overlapping so much?

I think you spoke about the movement of goods. The Coast Guard protects the movement of goods in international waters. I believe the military does that through DND as well. Is that correct?

Mr. Jeffery Hutchinson: It doesn't to the extent that we do. It's not involved in a direct way.

Mr. Darren Fisher: Yes, exactly.

Mr. Jeffery Hutchinson: With respect to goods coming in and out of Canada, its presence has more to do with security concerns that may be related to a specific vessel.

Mr. Darren Fisher: I get it. Okay.

Is it fair to ask you to give me a little bit of a briefing or an update as to whether there has been any discussion about bringing the two groups together under one umbrella of National Defence?

Mr. Jeffery Hutchinson: Thank you for that question. It won't surprise you to hear that it's a question we are asked from time to time. I was recently asked by a professor whether the navy should maybe just get out of the Arctic and we should do the job up there.

My answer may sound a little bit cute, and I don't mean it that way at all. I hope you'll accept that sincerely.

As you will all be aware, the Coast Guard has been going through a very deep dive on our finances. We've been in critical financial straits for several years now, and we were invited, through budget 2016, to undertake a comprehensive review of our finances.

As an organization, and as the senior leadership of that organization, we believe that our priority is to become financially stable. This will allow us to have the resources to do the recruitment and the training to maintain the assets that we have, which, in terms of priority, are of an order of magnitude higher than discussions about machinery or where we sit within the construct of government.

We have very effective partnerships with the people we need to have partnerships with. That certainly includes the navy, Transport Canada, the RCMP and CBSA. There are different discussions that

come to our ears about, "Well, wouldn't you be better off in Public Safety or wouldn't you be better off in the navy?"

We don't talk very much about where we live; we talk about what we do, and we think that the resource issue overshadows the machinery issue. That said, if we were to look at the feasibility of combining those organizations hypothetically, I think we would urge whoever was considering that, including this committee, to keep in mind that we don't have a military culture. We don't truly have a para-military culture. We don't have military training, although some of our training verges on para-military.

Regarding the prospect of the organizations merging, from a realistic perspective, you're talking about a fundamental change to the Canadian Coast Guard for it to be able to fit into the military or within the DND context. I don't think we could suggest that by any measure that would be a short-term transition. It would have to be measured in years, possibly a decade or more. However, as I said, we're not discussing this internally. We're discussing getting the organization on its feet to provide the services Canadians expect from us.

• (1120)

Mr. Darren Fisher: Thank you for that.

Has it ever been considered before from the perspective of combining the budgets for a percentage of our GDP for defence spending? Has that ever been discussed? I'm just curious to see whether it would put us up to 1.3% or 1.4%, or whether it would put us up to 1.5% or 1.6%. Obviously, we would get somewhat closer to our commitments if the budgets were aligned.

Mr. Jeffery Hutchinson: I've been in the Coast Guard for three years and we haven't had any kind of extensive discussion on that analysis while I've been there.

Mario, I'll turn to you to answer.

Mr. Mario Pelletier: The only one that I can remember was in the mid-nineties, for which actually the Coast Guard came over to Fisheries and Oceans. There was a look at all the fleet in Canada and then my understanding is that the decision was to merge the civilian fleet, so the DFO fleet and the Coast Guard fleet, but after the announcement, the military was left on its own.

Mr. Darren Fisher: Okay.

Mr. Mario Pelletier: There hasn't been any recent discussion.

Mr. Darren Fisher: Thanks, gentlemen.

Thank you, Mr. Chair.

The Chair: I'm going to move over to Ms. Gallant.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Thank you, Mr. Chairman.

When a fishing boat either is reported missing or sends out a distress call, with respect to the search and rescue timeline, generally speaking, what takes the most time—searching for the vessel or the actual rescue?

Mr. Mario Pelletier: Thanks for the question.

Normally when a distress call is heard, it's through our marine communications and traffic services centres, and it gets relayed to the joint rescue coordination centre. They gather the information, analyze, and determine that it's a search and rescue call. Then the tasking is issued to both the air unit and the marine unit, and a vessel or patrol ship may end up being there.

From that time on, from the Coast Guard perspective, our reaction time is 30 minutes, and I can say that in the last five years, the average reaction time has been just over 10 minutes.

We then have to get to the scene, which depends on the weather and where it is. Depending on the case, if it's a vessel in trouble, it's easily identified, communication is ongoing, and so there's no search. If it's somebody who's lost at sea, then there's a search pattern that needs to take place. So, it will vary a lot.

I can tell you that, on average, our reaction time has been 10 minutes. I would say that 80% of the time we're on-site within an hour.

Mrs. Cheryl Gallant: I'm really not referring to reaction time. I want to know specifically about a fishing vessel, for example, that does not have a beacon and that is not required by law to have an EPIRB or whatever kind of beacon. When a shipping vessel like this goes missing, what proportion of the search and rescue time has to be spent on the search? Does it take longer to do the searching than to do the actual rescue? Does it take significantly longer than it does if they have a beacon?

• (1125)

Mr. Mario Pelletier: Obviously, if they have a beacon, we have a position to work from. We have tools, such as a search pattern, whereby we can say that the last known position was there, and that it's been three hours. We look at the weather, sea conditions, and everything, and we establish a drifting pattern. This is how we can search. So, yes, having a position does reduce the search time.

When it's simply somebody calling to say that a fishing vessel should have been back 12 hours ago and isn't, the first step is to confirm that the fishing vessel is not somewhere else, because it could have come into a different port. Once this is confirmed, the search and rescue operation starts.

Mrs. Cheryl Gallant: If there is a beacon installed in a fishing vessel, it would cut down the search time significantly.

Mr. Mario Pelletier: A beacon, and some voyage planning as well.... We encourage people before they leave, whether it's a fishing vessel or a pleasure craft, to leave a plan of their intended voyage. It's much easier for us to initiate the search in a certain area.

Mrs. Cheryl Gallant: Are you aware of any provinces or territories in which the transport ministry requires fishing vessels to have a beacon installed?

Mr. Mario Pelletier: I'm not aware of that. Regulatory requirements to have those kinds of things come from Transport Canada at the federal level. I'm not aware of a provincial-specific requirement.

Mrs. Cheryl Gallant: In terms of your average fishing vessel, the Transport Canada requirements state that it has to have one on board.

Mr. Mario Pelletier: Depending on the size of the vessel and the type of voyages they make, that will differ.

Mrs. Cheryl Gallant: It would not only reduce the search time and save lives but would also save resources as well and potentially the lives of people working at the Coast Guard, if fishing vessels were required to have EPIRBs or some sort of beacon installed.

Mr. Mario Pelletier: Again, a lot of the search and rescue goes to prevention, and that's a very helpful prevention tool. It's much easier to locate people, whether it's a personal identification beacon or an EPIRB that is installed on a ship. All of this helps the system.

Mrs. Cheryl Gallant: How is the Coast Guard involved in operations dealing with human trafficking or migrants arriving in our waters without proper documentation? Does the Coast Guard ever become involved in those types of situations?

Mr. Mario Pelletier: As I mentioned in my opening remarks, our involvement is in support of the agencies that are responsible for this.

In the case of illegal migration, we would be approached and asked about the resources we have on the water that are ready to go out and do an interception. This is the kind of support we do.

It's the same thing with the RCMP. If they see something illegal going on, through the MSOCs, we will gather information and collect the proper data. They'll be able to conduct a risk assessment and will then determine whether they need to go out, and then we would look at an available platform for them.

Mrs. Cheryl Gallant: So when people are rescued, whether it's from a human trafficking vessel or it's just a boatload of people trying to get to Canada, and the Coast Guard takes them on board, what happens in terms of processing? What exactly is done?

Mr. Mario Pelletier: If we are going out to do a rescue operation and people are already on the boat, typically if the boat is safe—and it's the captain of the boat who will communicate with the captain of the Coast Guard vessel to determine that—the people will stay on board. If the people are in the water and they are rescued, we have procedures in place to treat the people and provide them with the proper support. If it is determined at that point that this is as a result of illegal activity, then we will notify the proper agency to come and support.

Mrs. Cheryl Gallant: Do you have equipment on board to take identifiers, fingerprints, or anything like that, or do you just hand them over to the authorities?

Mr. Mario Pelletier: The authorities would do that. We are not equipped to do that.

Mrs. Cheryl Gallant: Thank you very much.

The Chair: Thank you.

Welcome, Ms. Blaney. You have the floor.

Ms. Rachel Blaney (North Island—Powell River, NDP): Thank you, Mr. Chair, and thank you so much for being here.

As the member who represents North Island-Powell River, I see your ships in my waterways quite frequently, and it always makes our communities feel safer, so thank you for the work you're doing.

Some of the questions I have are around fleet recapitalization. There have been a few reports that have emphasized the aging state of the Canadian Coast Guard fleet, and I quote, "A significant amount of the fleet is fully depreciated."

A report written by analysts Bill Austin and Carl Hegge mentions that, in their opinion, the Coast Guard "has not been aggressive enough in making its case for better funding".

Since the Liberal government has recognized the underfunding and has committed to a more incremental funding system, could you let us know what the pending various review exercises are, how long this process will take, and how much money is needed?

• (1130)

Mr. Jeffery Hutchinson: If only that were an easy question.

We have looked at the financial health of the Coast Guard as resting on three pillars, essentially. One is the comprehensive review that I referred to earlier, which does not include the fleet as part of the review. The second is the recently announced oceans protection plan, which gives us forward-looking capacity that we haven't had before. The third is fleet renewal or fleet recapitalization.

We have the plan in place with funding that will take us through the replacement of perhaps half of our large fleet. We operate 43 large vessels, and we have replaced some of them, the security vessels. They're already on the water.

Vancouver Shipyards are currently working on three offshore fishery science vessels. The next in line will be the offshore oceanographic vessel, and then they're going to do a couple for the military, and then they're going to do our flagship of the future, which is the Polar class.

After that, we have a class already funded that we refer to generically as the "new class". We're going to take two old classes and combine them, and we're seeking to design perhaps one of the most capable Coast Guard vessels yet to be built in the non-military sense. We're looking at ships around the world that have the capacity to open up their hull and scoop oil out of the water directly into the hull of the ship, scrub it, and put cleaner water back. It won't be drinkable, but it will be cleaner than what they took out. It's probably the cutting edge of at-sea oil response at the moment.

We're looking at vessels that can provide not a lot but massive amounts of tow capacity. When you get into these largest container ships that are now passing our coasts but not coming into our ports, we'd be able to "button on", as we say, and hold a large container ship until commercial rescue tugs could arrive. We don't want to eat the lunch of the commercial sector, but we have to have response capacity.

We're looking at the towing and ER capacity, and we will take into consideration noise, speed, pollution from the ship itself, and those kinds of things.

That's the next class, and it's already funded, as I've now repeated. That takes our shipbuilding program into the mid-2020s. Then we'll be looking at the heavy icebreakers. You will have seen that we put a request for information on the street recently to lease some interim capacity until we get to the mid-2020s.

The reason for that is that our icebreakers are old, but they're not about to roll over and play dead. They're very capable ships. They were very well built when they were put in the water. The 1100s and the 1200s, our mediums and our heavies, are extremely well-built ships. We can invest in them to keep them going until the mid- to late-2020s. To do that, we have to take them out of the water for eight, nine, or 10 months at a time to do what you could think of as a major overhaul. When they're going through those major overhauls, we'll have this interim capacity.

Next year, 2017, we will be tabling the update of our fleet renewal plan. It's a 30-year plan updated every five years. That will form the basis of our next discussion with government on the future of fleet renewal. That will alert the government as to what the needs look like from now until 2025, and then what the shipbuilding program that follows the current program will look like at that point.

We're making good progress on the national shipbuilding strategy, and we foresee by 2025 having ships coming out of the yard at a nice steady pace, which will allow us to replace and maintain a relatively younger fleet.

Mr. Mario Pelletier: I would just like to add one more thing. When we talk about the next class of vessels that is funded, which Jeff described as being able to do emergency response, towing, etc., they're going to be icebreaking-capable, too, so they're going to replace some of our current icebreakers. They're also going to be able to deliver other Coast Guard programs such as aids to navigation, and so on.

• (1135)

Ms. Rachel Blaney: Thank you.

That's a great segue, because of course I was going to go into the icebreakers next.

In the report that you gave us today, you mentioned more than once the threats that exist in our Arctic. I just want a little bit of clarification from your perspective. What are those threats?

Mr. Jeffery Hutchinson: There are threats we can see and threats we can't see. I know you've discussed some of them with the navy.

With our focus on safety of life at sea and safety of the marine environment, when we're talking about threats, we're talking about an increase in adventure travel, from fibreglass sailboats trying to sail the Northwest Passage up to and including very large cruise ships, as we've already seen.

We also consider the increase in commercial traffic to be a threat. You all will have seen that China is being fairly open about its plan to send commercial traffic through the Northwest Passage. We see this sporadically at the moment. We all know that even small amounts of fuel from a shipper's perspective are intolerably large amounts of fuel from a citizen's perspective, from an individual Canadian's perspective.

We're talking about the possibility of oil in the water, whether it be diesel or bunker fuel. We're concerned about an increase in possible oil shipment through the Arctic, which at the moment is only at the scale of community resupply. But even that is a lot of product, again from an individual perspective.

We're looking at other threats. We're looking at threats to marine mammals that communities rely on. We're looking at threats such as commercial vessels going through sensitive or even sacred areas to indigenous communities that may rely on those areas for food supply or traditional activities. We see that as a threat to a Canadian way of life.

We are mindful of the fact that the number of submarines around the Pacific is increasing almost exponentially at the moment. We want to work with our naval counterparts in domain awareness, as we've said a couple of times. We don't have a role in those threats, except we generally have a good sense of when something doesn't look right, because we're watching all the time, and we want to feed that information into our security partners as quickly as we can.

At a high level, that's generally what we're talking about when we talk about threats in the Arctic. We're environmentalists at heart in our organization. We protect the environment every day, so of course we're also paying attention to climate change as it is occurring in the north. Almost counterintuitively, melting ice means more traffic. It means more icebreaking. That's the counterintuitive part. We will have to have as robust a presence as ever, from the icebreaking perspective, as the ice melts, because more and more ships will venture through those waters.

Mr. Mario Pelletier: Maybe just on this—

The Chair: I'm going to have to cut it short. We'll be able to circle back, but I have to yield the floor to Ms. Romanado.

Thank you.

[*Translation*]

Mrs. Sherry Romanado (Longueuil—Charles-LeMoine, Lib.): Thank you very much.

I want to thank you for being here with us today, and for your service to our country.

[*English*]

No worries; I'll switch to English, but feel free to respond in either language.

Today we made an announcement to award a contract to purchase 16 C295W aircraft to replace our Buffalo and legacy Hercules aircraft in search and rescue capabilities.

Could you give us an idea of how this will impact the Canadian Coast Guard? Then I will have a follow-up question with regard to the very large procurement that seems to be needed for the Canadian Coast Guard. Perhaps you could talk a little about today's announcement and how that will assist you in your capabilities.

Mr. Mario Pelletier: I can start with that one.

It is great news for the Coast Guard.

As I mentioned, the Coast Guard is responsible for marine search and rescue, but it's quite often supported by the air asset as well. Obviously, air asset will move much faster and can locate.... There was a question earlier about locating a person in need or in distress. The air asset can get there faster and locate, so the marine asset can be dispatched and render assistance right away.

As I said, the rescue centres use both marine and air assets. It's very efficient. Better tools are good news for us.

• (1140)

Mrs. Sherry Romanado: Mr. Hutchinson, you talked a bit about critical financial constraints and how you were doing a comprehensive review of the finances. In looking at the briefing document that we received from the Library of Parliament, I have some concerns, because the Canada Transportation Act review report, which was submitted in December 2015 and tabled this past February, noted that the Canadian Coast Guard fleet “is one of the oldest in the world and urgently requires renewal (individual ships average nearly 34 years of age).”

It seems, according to this briefing, that the Canadian Coast Guard has been kind of neglected. You mentioned that you are working on a 30-year plan for fleet renewal. Can you talk to us a little about those challenges? This fleet has not been renewed, and our procurement cycle, as you know, is not something that can be accomplished overnight, in terms of getting new assets.

Could you talk to us a bit about how you've been trying to manage those challenges and capability gaps because of a lack of procurement and planning in the last few years?

Mr. Jeffery Hutchinson: Certainly. Again, that's a very broad question. The bottom line, in terms of keeping the ships operating, is this. We refer to ship maintenance in three categories. There is regulatory maintenance, the things we have to do for Transport Canada to approve our ships for sailing. Then there are operational requirements that we have to address—think of a ship that can legally go to sea but doesn't have the crane on board that it needs to do the job it's going to do. That's an operational requirement.

The third is preventative maintenance, which is like changing the oil or the brake pads in your car before you crash, that kind of thing. We currently spend about one per cent of what we should spend on preventative maintenance. That means the reliability of our vessels is very much resting on our ability to do the urgent and the operational. That's not a sustainable model. As the ships age, that will present a greater and greater challenge.

Now, all of that, that whole scenario, has been looked at through the comprehensive review. I won't go further on that at the moment, because it is yet to be presented to cabinet, and I don't want to overstep in terms of what will be presented to cabinet.

So we have a maintenance issue, and then there is the history of procurement in the Coast Guard. Just to be clear, this spans every government; there is no political tone to this comment. Like other large procurements in government, it tends to happen in fits and starts, and it might be the case that over the last period of time the Coast Guard has not been in the public eye as much as it could have been. The last few years, we've had as much press as we can handle, but prior to that.... When you are in the background and procurement is happening in fits and starts, maybe you get more fits than starts through that process.

We would strongly advocate that the replacement of our fleet, through the national shipbuilding strategy, be put on a pace whereby ships will come out regularly to replace older ships. The average age of our fleet now is very high, as you've noted. It's going to get higher before we replace capacity, getting into the mid-20s and late 20s, as I was referring to earlier, but when we are at the mature state in the national shipbuilding strategy, with steady capital dollars, we'll be able to bring that average age down and then maintain it at a much more reasonable level than it's getting to right now.

So, we have to bring up the maintenance dollars and have a long-term procurement that is backed by long-term funding, not in massive amounts, but just at a good steady state.

Mrs. Sherry Romanado: You mentioned that right now you are hopeful that we would be able to create a...I don't want to say "production line" of assets for the Canadian Coast Guard.

If you had to prioritize right now, what would be the biggest priority for you, whether it be assets or human assets? What would be the priority for the Canadian Coast Guard right now, in terms of spending? We'd love to be able to give you everything you need, but we need to know what the priorities are. I'm assuming this is something that's going to be delivered to cabinet, as you mentioned, so if you can't go into it, I understand. In terms of the current needs, what would be the biggest priority?

• (1145)

Mr. Jeffery Hutchinson: We're losing ship days because we have vessels out of service, and that makes ship maintenance a high priority. I'm afraid I have to give you more than one, because I can't....

We miss ship days at sea because we don't have enough trained personnel, and I have to say that to my way of thinking, that's of paramount importance. We're a response force. No one uses the word "force" when they talk about the Coast Guard. They talk about employees or members or mariners, but I can't say it strongly

enough. We are a response force. That's Bella Bella, that's *Simushir*, that's *Kathryn Spirit*. We have to arrive. People forget that Bella Bella started with seven lives in danger. When the search and rescue was done, then we went on ER, the environmental response. The training for our folks and topping up the number of people: we have to have both of those as a critical urgency.

Mrs. Sherry Romanado: In terms of the lack of ship—

The Chair: We'll give the floor to Mr. Gerretsen.

You have a five-minute question.

Mr. Mark Gerretsen (Kingston and the Islands, Lib.): Thank you, Mr. Chair.

I want to return to some of the discussion that Mr. Fisher was having about the similarities between the Coast Guard and our navy.

Can you provide some context as to how you see that the threats you're dealing with now—particularly in the Arctic—have changed with global warming in the last twenty years? What new threats are you experiencing?

Mr. Jeffery Hutchinson: To my left, we have a former captain who has spent a lot of time in the Arctic and has seen this first-hand.

Mario.

Mr. Mario Pelletier: I am a former chief engineer. I still spend a lot of time up there, and I have dealt with some accidents as well, which we had to respond to.

The biggest threat right now that I see is from people's perception that it's opening up, that there's less ice. That's not true. Yes, the ice will melt. We'll have a few seasons with no ice in the passage, but they will be followed by years in which there is a lot of multi-year ice. While the ice is melting, that means more dangerous ice, the multi-year ice coming down and filling up the waterways, and it makes it very challenging. That's a huge threat. People see all those articles and think, "Oh, it's open water. We can go with a small boat with the jet skis." The cruise industry has been racing to get there, and once they get there, they see very difficult conditions. We're spread out because if there is a search and rescue, we need to respond to that. When we respond to that, we're not available to escort a ship that's going to do a community resupply.

Mr. Mark Gerretsen: What role does the Coast Guard play in terms of sovereignty patrol? You mentioned that you're involved in sovereignty patrols.

Mr. Mario Pelletier: It's mainly presence. Many times the Coast Guard ship is the only federal presence that some communities will see in the Arctic, so we make sure that our assets are spread out and that we cover as much territory as possible. It is presence, and it's a resupply for those communities as well. Over 95% of the goods that go to the community go by water, and in a very small window. It's for us to make sure we're there to support this community resupply.

Mr. Mark Gerretsen: When we talk about our sovereignty, and we might become worried about what other state actors are doing, there is a certain level of classification there in terms of what the navy is aware of, hot spots that they might be worried about, particular areas. Is the Coast Guard apprised of that information?

Mr. Mario Pelletier: We are about some of it. A lot of the information that is used to do this analysis comes through the Coast Guard system. My colleague talked about the long-range identification system, whereby we know which ships are coming into Canada 2,000 miles before they get here.

Mr. Mark Gerretsen: I'm sorry for interrupting, but I'm limited on time.

That's actual movement. I'm talking about the strategy or the intelligence in advance of that happening.

Mr. Mario Pelletier: We monitor the traffic; we monitor the activities. If everything converges to a point, we say that there might be something there, and we pass on that information to the relevant organization that can do that analysis.

• (1150)

Mr. Mark Gerretsen: The relevant organization would be the navy?

Mr. Mario Pelletier: They're part of the MSOC. Any partners of the MSOC are seeing the same information.

Mr. Mark Gerretsen: Would there not be a benefit to the navy and the Coast Guard being under the same umbrella? Why is it two separate organizations, especially with the changing environment in the north?

Mr. Mario Pelletier: Again, all the information is transmitted through MSOC, and not only is the navy there but the border agency and Transport Canada are as well. They all benefit from having that common operating feature.

Mr. Mark Gerretsen: Transport Canada and border patrol are not, for lack of a better expression, on the front lines in terms of actual defence. I mean, they're usually called in to assist, because there are specific requirements to do that.

The Coast Guard is right on the front lines, so to speak, correct?

Mr. Mario Pelletier: That's correct.

We are the presence on the water. The Coast Guard is the largest one in Canada. We are the civilian fleet, so we are on the water and we're called in to support them.

Mr. Mark Gerretsen: Is that it?

The Chair: You have about 10 seconds. Yes, that's it.

I'll give the floor to Mr. Paul-Hus.

[Translation]

Mr. Pierre Paul-Hus (Charlesbourg—Haute-Saint-Charles, CPC): Thank you, Mr. Chair.

Mr. Pelletier, one of the missions of the Royal Canadian Navy is to ensure that waterways remain navigable so that trade can take place. You have to ensure that imports and exports can proceed normally.

Does the CCG feel it is in a position to fulfil its obligations in maintaining the sea lanes clear?

Mr. Mario Pelletier: Yes. The Royal Canadian Navy is responsible for the security of this traffic, both in Canadian and adjoining waters. Our mandate has more to do with the safety of this traffic. We have to ensure that navigation is safe, that there are aids to navigation, that there is a traffic management system, and that there are resources that can respond in case of emergency, as well as to provide icebreaking services.

Mr. Pierre Paul-Hus: There were problems with icebreaking. Do you consider that you have absolutely everything you need?

Mr. Mario Pelletier: We have what we need, because we now have new services. We had some difficult winters, and some breakdowns prevented us from providing all of the expected services. However, there are some investments being made. My colleague spoke of extending the life of our ships. We take vessels out of the water for eight to ten months of the year to do a major overhaul, so that when these ships are put back in service, they are much more reliable and remain available. I often point to one of our icebreakers, CCGS *Amundsen*, as an example that illustrates the success of that program. We took that icebreaker out of the water for 10 months. After its refit, there has not been one day when mechanical problems prevented it from being in service.

Mr. Pierre Paul-Hus: Let's go back to the culture of the Canadian Coast Guard. Unless I'm mistaken, you have for the past 50 years and even more had a very peaceful culture. You are more involved in monitoring, you help to transport goods to northern communities, and do things of that nature.

When examining the various aspects of the navy and the global environment, one sees that the threats are different. We spoke of the Northwest Passage earlier.

Do you think the CCG should change its culture in a major way? For instance, should you become the equivalent of the U.S. coast guard and train employees in-house to be able to conduct armed interventions? In fact, you are dependent on everyone else; you are not self-sufficient when it comes to security.

Mr. Mario Pelletier: That question can be looked at from various angles. The most extreme approach is that we could be armed. An intermediate approach would give us the power to implement certain regulations. For instance, under the Canada Shipping Act, Transport Canada is responsible for ensuring that ships are safe, among other things. For our part, if we detect an issue, we report it, and then it is up to Transport Canada to decide whether to act or not. Naturally, if we had the additional power of being able to enforce certain laws, that would be an additional step. The ultimate step would be to have armed personnel on board who could enforce certain other laws.

Mr. Pierre Paul-Hus: The terrorist attack that took place here in Ottawa two years ago is one example. We saw that there was a problem with security services on the Hill and with the RCMP.

The maritime patrol is in a somewhat similar situation. If something happens and you can't deal with it, you call on the Royal Canadian Navy or the RCMP to obtain resources.

For instance, if you arrive somewhere and see that the Chinese have settled in and are drilling, what can you do besides report it? Aside from telling the Chinese to leave, you have no recourse.

• (1155)

Mr. Mario Pelletier: We do not have that power. It would be an extreme situation that—

Mr. Pierre Paul-Hus: It could happen.

Mr. Mario Pelletier: I would prefer not to venture to answer hypothetical questions.

A bit earlier I spoke of the Marine Security Operations Centres. We work in very close co-operation with the other agencies. As we analyze a situation or a risk develops, since we are in constant contact, it is easy to participate in those discussions.

Take the *Farley Mowat* as an example, from a few years ago. We knew that it was involved in illegal activities. We sat down with our colleagues from Fisheries and Oceans Canada and the RCMP to plan an intervention which was carried out very effectively. They needed an icebreaker to get there and we were able to provide that service.

Mr. Pierre Paul-Hus: Do I still have a little time left?

[*English*]

The Chair: You have about a minute and 30 seconds.

[*Translation*]

Mr. Pierre Paul-Hus: Fine.

What is your relationship with the U.S. Coast Guard like? On the east coast or the west coast, do you sometimes have to call on it for certain operations because you do not have the necessary capacity?

Mr. Mario Pelletier: I would say that our relations with them are more crucial regarding the lakes and the Arctic. We also have contacts with them on the coasts as well. Normally this occurs during operations at the borders or in zones of responsibility. I spoke of the lakes, but our relationship is broader than that. There is also icebreaking, for which we have a treaty with the U.S. Coast Guard. We offer this service whether the vessel following the icebreaker is Canadian or American. In this way we can cover a much broader territory and maximize resources.

Mr. Pierre Paul-Hus: Do the Americans have icebreakers in the north or in the Arctic to conduct icebreaking operations? If they do it is in Alaska, I expect.

Mr. Mario Pelletier: Icebreaking is done on lakes specifically. Yes, the Americans have icebreakers in the Arctic. We have co-operated with them on scientific operations mostly for the purpose of mapping the seabed. This requires two icebreakers. They have a high-capacity icebreaker and we have one as well. In this way, we can multiply our resources.

Mr. Pierre Paul-Hus: Thank you.

[*English*]

The Chair: Thanks for that.

Mr. Rioux, you have the floor.

[*Translation*]

Mr. Jean Rioux (Saint-Jean, Lib.): Good morning. I thank you for being here with us and for answering our questions.

You spoke of a long-range system used to identify and locate ships. You said that you were able to monitor over 1,000 ships over a distance of more than 2,000 nautical miles. The Poseidon project was presented to the Minister of Fisheries and Oceans and the Canadian Coast Guard. We are speaking here about an interface that would allow for information to be gathered. It would allow, for instance, to know what vessels are entering fishing zones, how close fishing vessels and refrigerated ships were, when vessels start moving again, and so on.

Do you think that this project could decrease the number of sea excursions and costs? Do you think that this system could be effective?

Mr. Mario Pelletier: I am not familiar with the Poseidon project, but I can say that on the operational level information is crucial. The more we have, the more we can make enlightened decisions and respond effectively.

Since I am not aware of this project in particular, I can only provide a general answer. Indeed, the more information we have on marine traffic or activities, the better the decisions we can make. They can be decisions that require action on our part, or decisions that will require that we ask other organizations to intervene or validate information.

Mr. Jean Rioux: Fine.

When the project was presented, they spoke of approximately 15 sources of information that could be grouped, which would facilitate your decisions.

The Arctic was discussed at some length. I think that global warming means that we have to be better informed and intervene. I just got back from a NATO meeting and Russia is reported to be much more active and is expanding its fleet of icebreakers. These are mostly nuclear-powered icebreakers.

Does this concern you? Are we sufficiently equipped to face these new requirements or are there deficiencies? Should we have more icebreakers, especially a nuclear-powered icebreaker?

• (1200)

Mr. Mario Pelletier: As for the Russian icebreaker fleet, it was developed to meet the needs of the Russians in their own waters.

Insofar as we are concerned, should we have a greater presence? I always answer yes to that question. That is why we are very pleased that National Defence is building patrol ships for the Arctic. What this will mean ultimately is that it will multiply our presence in the Arctic and that is always positive. In fact, the more present we are, the more coverage we can provide and the more intervention possibilities there are.

Mr. Jean Rioux: More specifically, should you have a nuclear-powered icebreaker? Is that a need for the future?

Mr. Mario Pelletier: This nuclear technology is completely different from what we are used to. It requires completely different expertise. Consequently, we are not considering that option at this time.

The Canadian Coast Guard has been a leader in diesel-electric propulsion. We have developed that technology considerably and we have expertise there. It is also very reliable. This is what we have focused on up till now.

Mr. Jean Rioux: You say that nuclear power is another technology altogether. However, do you already have heavy icebreakers? For the future, we are mostly talking about the *John G. Diefenbaker*. Can that compete with what Russia has?

Mr. Mario Pelletier: Absolutely. We have done studies and that ship could be in service all year long in the Canadian Arctic and meet the needs particular to that region. Of course we will have to do maintenance, but it can be in service everywhere in the Canadian Arctic at all times, even in December or January.

Mr. Jean Rioux: This weekend, there will be—

[*English*]

The Chair: That's your time, Mr. Rioux.

Mr. Bezan, you have the floor.

Mr. James Bezan (Selkirk—Interlake—Eastman, CPC): Mr. Chair, before you start the clock, I just want to quickly revisit the point that I raised yesterday in the House. I'll be very brief. It's unfortunate that you didn't take the opportunity to apologize yesterday for the derogatory characterization that you used towards me. Regardless, I don't really care one way or the other, but I was looking around this room and knowing the history here.... During World War II, cabinet met here every morning to talk about the situation in Europe and the war and how to best organize the military people who fought for our democracy. As I said in the House yesterday, one of the responsibilities of the chair is to act in an even-tempered manner, in fairness, and you're to make sure that we have order. The one power that the committee has here is the issue of relevance, but at the same time, you're also there to ensure that our rights and privileges are respected. Although you may not respect me, I do request that you at least respect the institution and guarantee the rights of all members of Parliament who sit on this committee from time to time to freedom of speech, and to the ability to put questions, and sometimes difficult questions, to the appropriate witnesses. With that, I move on.

Thank you, gentlemen, for being here. I'm a prairie boy, and a lot of people don't realize that in Manitoba, there is Coast Guard on Lake Winnipeg at Gimli and on the Red River at Selkirk. I appreciate all the work that those brave sailors do in protecting and responding to crises that occur with our commercial boaters and transporters, as well as our commercial fishers in that area.

The one thing I think we're interested in, which we've been skating around a bit, is exactly how the Coast Guard does work with the Royal Canadian Navy, with the RCMP, and with the U.S. Coast Guard when you're dealing with some of those issues that are very much security matters.

When you're operating in the Great Lakes, the St. Lawrence Seaway, and near the U.S. waterways of both the Atlantic coast and Pacific coast, how do you interact when you come across vessels out there on patrol that could be dealing in drugs, or doing human trafficking, or maybe transporting illegal firearms? How do you actually interact with the navy and use the Maritime Security Operations Centres—which are amazing when you get in and see how all that information is fed together, for those of us who have the opportunity to be in those centres? How does that all get coordinated, especially with our American counterparts?

• (1205)

Mr. Jeffery Hutchinson: Maybe I'll start, and then Mario can pick up on some of the specifics.

I'll just give you a vignette essentially to help answer this. Imagine you're in Halifax. I'll choose Halifax because that's where I saw it happen. The MSOC and our MCTS folks are looking out on the ocean. They see something, and something isn't right about it. Maybe they have some background knowledge on that ship. Maybe it's a ship they have had questions about before. The information goes to the MSOC, and the RCMP say it is a ship they've been watching. The RCMP would normally allow a ship to come in. It's easier to do what you need to do alongside a wharf where, if you need to, you can bring real fire power. Boarding a ship at sea is never something you want to do if you don't have to. In this particular case, they know they have to stop it when it's still 10 miles out, so they'll load equipment on one of our ships, we'll take them out, and they'll make the interdiction that way.

To an earlier question, sometimes it's not just the RCMP. It can be immigration officers. It can be CBSA officers. It can be the combination of people we need to do the job when we get there.

A different way of doing it is through the combined efforts we have with the RCMP on security patrols. We carry their team or we can deliver an emergency response team, which is armed and boarding-capable, to where they need to be. From a security perspective, that's how it works day to day. You'll see the RCMP meet us at a port. The day I was down there, they met us at Lunenburg, and we picked them and their equipment up, and we went and stopped the ship that needed to be stopped.

With the Americans, Mario will be able to speak to the security perspective, but we have a superb relationship with the U.S. Coast Guard across a lot of fronts. We have joint co-operation for an environmental response. God forbid Deepwater Horizon should happen today, but we would deploy assets to help them. If it were to happen anywhere near our coastline, then they'd deploy assets to help us. It's a completely mutual arrangement for the environment and for search and rescue.

On the icebreaking side, that's where we make the bigger contribution.

The reason I make this point, I want to specify, is that there is a treaty that says you can't have military vessels on the Great Lakes, except in exceptional circumstances. That allows us to operate larger ships in the Great Lakes than the Americans can. Their icebreaking capacity tends to be smaller icebreaking tugs, and we have the real muscle, which they recognize. It's a contribution that they can't return in kind, because they're militarized and we're not. It's one of the restrictions on that.

For our security operations with them, Mario, maybe you want to speak to that.

The Chair: I'm going to have to stop it there.

I'll give the floor over to Mr. Spengemann.

Mr. Sven Spengemann (Mississauga—Lakeshore, Lib.): Thank you very much, Mr. Chair.

To start out, I must say that I'm disappointed by the opening comments made by Mr. Bezan. Canadians expect much better, Mr. Chair.

There is evidence that you never made the comment you are alleged to have said. Mr. Bezan should apologize not only to this committee, but to the House of Commons. You are an extremely capable and fair chairperson, and I believe the committee can be very proud. The House of Commons can be very proud. With that, I'll move on.

Gentlemen, thank you very much for your service to the nation.

Mr. James Bezan: On a point of order, Mr. Chair, as I said in my statement in the House yesterday, if you listen to the tape, and it was confirmed—

Mr. Sven Spengemann: That's debate—

Mr. James Bezan: It is not debate.

An hon. member: On a point of parliamentary privilege, Mr. Chair—

The Chair: Mr. Bezan, what rule has been broken?

Mr. James Bezan: Standing Order 18.

Mr. Sven Spengemann: Mr. Chair, can I assert a point of parliamentary privilege?

This is not a point of order. I'd like to have my time, please.

The Chair: Mr. Spengemann.

Mr. Sven Spengemann: Thank you.

Gentlemen, thank you for being here. Thank you for your service to the nation. More important, thank you for the service of the

women and men who serve under your command in uniform each day.

I'd like to take you back briefly to Mr. Rioux's question on Elbit. Is Elbit a transponder-based system?

• (1210)

Mr. Mario Pelletier: I'm sorry, I don't have all the technicality around it, but it's not a transmitter. They are responsible to report, and there is some transmission, as well.

Mr. Sven Spengemann: What sort of vessels would not be captured by Elbit? Would it be size-dependent? Would it be trajectory-dependent? Would it be communications-equipment-dependent?

Mr. Mario Pelletier: It's size-dependent, and I'm sorry, you're absolutely right, it's a transmitter.

Mr. Sven Spengemann: Thank you very much for that.

I'd like to take you briefly to environmental response questions. They were raised by my colleague Ms. Blaney. Could you outline for the committee the kinds of scenarios you would face? I'm thinking particularly of the west coast with respect to environmental response. You can just hypothetically think about offshore tankers. There are inshore scenarios. There are pipeline scenarios. What kinds of scenarios do you face? What kinds of response capacity do you have? What kinds of technological advances are in the pipeline? Most important, how do you intersect with private sector response cleanup obligations? What are you in charge of? What are you responsible for? What, for example, is an oil company responsible for?

Mr. Jeffery Hutchinson: There are a lot of pieces there. We'll move quickly on them.

The first piece I'll tackle is what we are responsible for, or what we are in charge of. We are responsible to ensure that there is an appropriate cleanup. Sometimes that means that we take charge, and people follow the orders we issue. Sometimes it means that we monitor and make sure that what they are doing is appropriate. In Canada, as you know, the polluter pays, and the polluter is responsible for what they've put in the water. Some shipowners or captains are simply unable to pull that off, so to complement their ability and to ensure that the polluter pays, there are private response organizations, funded by the shipping industry. They are required to maintain a 10,000-tonne capability within a certain time frame. They need to be able to execute 10,000 tonnes of response. In some places, in some conditions, the response organizations are exceeding that, sometimes by a multiple, because in today's shipping world 10,000 tonnes is not that big. That regulation was probably set in the 1970s, so they maintain larger capacity than that. What they generally do is deploy a boom to contain the ship or the spill. They get skimmers on the water. They patrol with their boats to make sure they have that covered.

You asked about future technology. That is something we are very interested in. Except in ideal conditions, the recovery of oil off the water is extremely difficult to do. We were proud of our response to the *Marathassa* in the port of Vancouver. Although we are now in a day and age when any oil in the water is unacceptable, and that's our view as well, our cleanup there exceeded 50%, by some estimates 80%, and that's almost unheard of in oil recovery, as you may know.

In terms of what we face in specific situations, we respond to over 1,000 environmental response calls per year. They range from someone who has dumped a small amount of oil, maybe not off a 25-foot privately owned boat—those folks don't usually call—but a little bigger. It might be a charter boat that takes folks out to fish, that kind of thing. We get little fuel leaks like that, and we drop absorbent material in the water to try to soak that out of the water.

The next step up would be oil coming off a dock sometimes, or out of an industrial place. That isn't our first responsibility, but we often help with that.

Then, at the other end of the spectrum, are the things we've responded to recently that you would be aware of: the Bella Bella spill; the *Marathassa*, which I just mentioned; the ship in Montreal that's being cleaned up, called *Kathryn Spirit*; and a cleanup to come in Newfoundland.

That gives you the range. It's about 1,000 calls a year, and they run the gamut. Unfortunately, even tree shadows on water can look a lot like oil, so we respond to a few of those as well.

Mr. Sven Spengemann: Thank you very much.

Mr. Chair, I think that's my time.

The Chair: Thank you.

Ms. Blaney, go ahead.

Ms. Rachel Blaney: Thank you, Mr. Chair.

I just want to pick up on that a bit. Right now, a lot of Canadians have serious concerns about the Bella Bella spill. We've witnessed a lot of things that were the realities of our ocean as well. That's what happens in the water. Canadians need to know, especially with the approval of Kinder Morgan, whether you are going to be re-evaluating your response capacity. What risk assessment has been done, and how are you preparing yourselves for the reality of a higher volume of tanker traffic?

• (1215)

Mr. Jeffery Hutchinson: There have been some studies done, particularly around the drift rate of a tanker through the Juan de Fuca Strait, so if a tanker were to lose power for any reason, how long you would have until it would hit something that would cause a problem.

Another drift rate study is ongoing, and we're waiting to see those two studies together. Without meaning to sound like an apologist for anyone, I note that the Kinder Morgan proposal adds fairly significant tug and towing capacity to that area. Those tanker ships in particular will be escorted or actually tied on to a tug until they are in the open water at Buoy Juliet.

We're looking at their placement of assets and their response times, and then we're looking at our own. Specifically with regard to the southern part of Vancouver Island, we have a request for information on the street. Part of that is to get towing capacity. I referred to this in my comments about long-term fleet renewal. We see emergency tow capacity as a function of the Coast Guard that needs to be rebuilt. That's the direction in which we're going.

Along all three coasts we'll be making fairly significant enhancements through the ocean protection plan. These include renewing equipment for the Coast Guard, adding new capacity inside the Coast Guard in the form of things like primary environmental response teams—think of a SWAT team for the ocean—but also by leveraging coastal communities, particularly indigenous communities and northern communities. We'll be engaging a range of volunteers, like a volunteer fire department, so that we can get people with some training and equipment to the scene as quickly as possible, empowering them and enabling them to hold the line until the big assets can arrive.

We're looking at the studies; we're placing new assets in capability; and we're working with more partners to achieve a stronger response.

Mr. Mario Pelletier: Part of that work with the new partners is what we call the regional response plan. It involves sitting everybody around a table to look at the actual risk and to look at the actual equipment and decide whether it is sufficient or not. We're developing those plans as well.

We're also looking at alternate response measures, such as the use of dispersants. Right now, that is against some of the acts. We're looking at the net environmental benefit of using that and equipping the people with the right tools to make that decision as to whether it is more beneficial to use dispersants right now or to wait and try to contain it.

These are the tools that are going to be available to make sure that better decisions are made more promptly.

Finally, we're also looking at more modern equipment. We have caches across the country that are well-equipped. We need to renew that equipment and make sure we have the proper high-tech equipment available to enable people to respond.

Ms. Rachel Blaney: Okay.

The Chair: That's your time, Ms. Blaney.

I want to thank you both for coming today. Thank you for your service and thank you for your testimony. It adds value to what we're trying to achieve here.

I'm going to suspend so that we can say our goodbyes. We'll resume with committee business in camera.

Thank you.

[*Proceedings continue in camera*]

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