HOUSE OF COMMONS
CANADA

FACING OUR RESPONSIBILITIES

THE STATE OF READINESS OF THE CANADIAN FORCES

Report of the Standing Committee on National Defence and Veterans Affairs

David Pratt, M.P.
Chair

Leon Benoit, M.P.
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has the honour to present its

FOURTH REPORT

Pursuant to Standing Order 108(2) the Committee proceeded to a study on the state of readiness of the Canadian Forces.

Your Committee heard evidence on this matter, the result of which is contained in this report, which provides its input on the capability of the Canadian Forces to meet their commitments.

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INTRODUCTION

War is not polite recreation but the vilest thing in life and we ought to understand that and not play at war. — Tolstoy

This report is the result of a full year of hearings on the operational readiness of the Canadian Forces (CF). It was never our intention to rewrite Canadian defence policy, nor did we ever assume we could do a better job restructuring the CF than could the professionals. We see our role as one of helping the CF recoup, and indeed enhance, some of what they need to be able to carry on as a professional fighting force.

The government's response to our previous reports has been both encouraging and disappointing. We fully understand that not everything that we ask for can be fulfilled. However, the fact remains that the CF continue to be underfunded, for both the short and long term. As a committee, we cannot appropriate funds or legislate program changes. We can only recommend. And our success will depend upon how well government listens. This suggests we need remain responsible in the recommendations we make and ensure that they stay within the realm of what is or should be possible.

We want to be a positive force, a vehicle through which the needs and aspirations of our serving men and women, and indeed the Canadian Forces as an institution, can be clearly put before the government. We also hope to be a vehicle for change, helping the CF to face the many challenges of the future. Some of what we recommend will be accepted, some will not. Whatever the result, we begin with the assumption that **the status quo is not acceptable**. But, having said that, we might also note that our mission is not to abandon common sense and those things that work. Policy-making is a pragmatic art — we seek what is reasonable, affordable, and realistic. As a group charged with making serious recommendations to government, we cannot afford the self-indulgence of perfect solutions or visionary schemes.

The CF needs to be prepared for a strategic environment in which certain of our old assumptions no longer hold. To recognize this is not to argue that we begin from scratch. We will not fight on the European central front, the Russians are no longer our major concern, Europe is increasingly capable of defending itself and the asymmetric threat is very real. At the same time, there is no good reason to abandon NATO, we will remain an active participant in NORAD, the United States will remain our closest ally, we will continue to be called upon for peacekeeping duties and our multilateral tradition will continue to affect the choices we make.

Our concern is that the CF be fully capable of meeting the challenges that lie ahead. During our previous investigations we heard much about equipment rust out, poor morale, inadequate living conditions, lack of training, unsustainable levels of operational tempo, funding shortfalls, etc. We have already addressed some of the major issues of concern in

our previous reports, but more needs to be done. By having over-committed our forces in recent years, we may actually have contributed to their decline in operational readiness. Over-commitment has meant less time for training and recuperation. It has meant that restructuring has had to be put off and that we have had to work with units perhaps not best suited for the new threat environment. If one is continually scrambling to meet the contingencies of the moment, it means that future directed thought and analysis become a luxury rather than an obvious requirement.

Operational readiness entails more than equipment and strategy. One can have the best technology and the most forward thinking senior commanders, but above all, one must also have sufficient well-trained enthusiastic troops in order to defend the country's vital interests. Conversely, morale is certainly furthered by good equipment. The choices that need to be made are not of an either/or nature.

For too long, the CF have found it necessary to sacrifice one element in order to sustain another. We saw first-hand how quality of life issues were put to the side in order that money for other essentials could be made available. To ensure operational readiness, we need to see to all facets of the Canadian Forces including quality of life, training, equipment, education and leadership. As well, we need to have a good sense of what it is we are "getting ready for." Our force structure must be appropriate for the strategic environment in which we expect to operate.

While our previous reports did not specifically focus on the question of readiness, they have, nevertheless, had an important bearing on the matter. In our report entitled *Moving Forward: A Strategic Plan for Quality of Life Improvements in the Canadian Forces,* we made a series of recommendations that went a long way in helping improve the morale of CF members and their families. On November 25, 1999, our Committee passed a motion, subsequently also tabled in the House of Commons, calling upon the government "…to embark upon a five-year plan for the revitalization and modernization of the Canadian Forces which would substantially increase the budget of the Department of National Defence as a percentage of GDP." This was followed by our *Procurement Study* wherein we encouraged the government to speed up required equipment purchases and suggested ways in which the overall procurement process might be improved.

In June 2001, we tabled our *Report on Plans and Priorities* where we recommended, *inter alia*, that the government re-examine its spending plans for the next two fiscal years with a view of increasing the budget for the Department of National Defence. Finally, in November 2001, our Committee tabled its report, *State of Readiness of the Canadian Forces: Response to the Terrorist Threat,* wherein we again recommended that DND's budget be increased. Here we also called for a greater emphasis on strategic lift as well as an increase in Special Forces.

The Canadian Forces did not get all we thought necessary. We believe that the Committee has made progress and are firmly committed to ensuring that our troops get

what they need. We also believe that members of the CF must never be tasked for deployments for which they are neither adequately prepared nor equipped.

Finally, we have also come to realize that today the notion of “security” needs to be understood in a broader, or more comprehensive, sense than previously. The threat of terrorist attacks and the potential use of nuclear, chemical, biological and radiological (NBCR) weapons means that a variety of jurisdictions must be involved in order to ensure the safety of Canadians. The events of September 11th have clearly demonstrated that we need to have a multi-level and multi-jurisdictional understanding of security and how to better respond to threats.

CHAPTER 1: THE NEW STRATEGIC ENVIRONMENT

The tragic events of September 11th have taught us that we cannot take our security for granted. We are vulnerable at home and may need to go far afield to help ensure our safety. Afghanistan is not about peacekeeping, nor about peacemaking. It is war. The troops we have sent are, by all accounts, acquitting themselves admirably. However, there were some controversial moments at the outset. We are facing a "new" enemy; one that has forced us to rethink the ways in which we deal with security. The international strategic environment in which we now find ourselves has complicated rather than simplified the missions, organization and strategy of the armed forces. Our military needs to look at how best to restructure itself to deal with the non-traditional or asymmetric threats we now face. Superpower rivalry has been replaced by internecine strife, transnational terrorism and failed states. Such conditions do not provide the clear war-fighting missions that militaries prefer and for which they have traditionally trained.

Afghanistan is representative of the types of conflict in which Canadian Forces will most likely be involved for the foreseeable future. "With its rugged terrain, and intransigent foes, Afghanistan poses great risks. It is also fairly representative of the kind of environment, both in terms of terrain and politically, that military planners have to think about as their primary expected area of operations."[1]

This type of conflict is not well-suited to an armoured force trained to fight large-scale engagements. It is best-suited to a light infantry force — one well trained, equipped, led and in possession of good intelligence.[2] It is an environment in which special forces personnel would prove most effective. If we are to continue to fight in these types of campaigns we may well need to adjust our force structure and to enhance the capabilities of some of its components. Flexibility and rapid deployment will be the requirements of the future.

The so-called "new world order" will not arrange itself to suit the preconceptions of force planners working with yesterday's assumptions or those of politicians who naively believe our forces require no more than what they now possess. If September 11th has taught us anything, it is that we cannot withdraw from the world or refuse to participate in interventions with like-minded allies.

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1 Anthony Forster, Independent Defence and Intelligence Analyst, Presentation before the House of Commons Standing Committee on National Defence and Veterans Affairs, *Proceedings*, October 23, 2001.

2 Ibid.

A soldier of the 3rd Battalion, Royal 22e Régiment takes part in a bushline exercise during training to prepare troops to deploy on Rotation 9 of Operation PALLADIUM, Canada's contribution to the NATO Stabilization Force (SFOR) in Bosnia-Herzegovina.

A. Threats

It is very unlikely that Canada will, in the foreseeable future, be called upon to participate in a war between two or more major powers. While we cannot completely discount such a possibility, its likelihood lies well beyond any horizon we can envisage. However, it is reasonable to expect, given our experience over the last decade, that there will certainly be serious conflicts of sufficient magnitude to warrant our maintaining a combat capable multi-purpose military — a force that can "fight alongside the best against the best." Our national security dictates that we have a military capable of responding, in conjunction with our allies, to:

- The asymmetric capabilities of certain states, including weapons of mass destruction and missiles;
- Transnational threats including terrorism, genocide, international criminal and drug organizations, warlords, environmental security issues, health and disease problems, and illegal migrations;
- The problems of failed states that require peacekeeping, humanitarian assistance, disaster relief or national reconstruction;
- Domestic emergencies that cannot be handled by other federal or provincial agencies alone;
- Threats to our information and other critical infrastructure.[3]

Even a cursory reflection on the foregoing dictates that "human security" is something we must continue to address. Our responsibilities are not only to our own security and well-being but also to that of others. We cannot, in the long term, hope to stem the tide of terrorism without addressing the structural determinants that lie at its roots. But, while granting this, our first priority must always be the sovereignty of our own nation and the security and well-being of Canadians. In the final analysis, we can only ensure this as a significant participant in coalition with our closest allies.

[3] For a discussion of some of these see, Anthony C. Zinni, *A Military for the 21st Century: Lessons From the Recent Past,* Strategic Forum, July 2001.

B. Terrorism

The most disquieting lesson of September 11th was the ease with which the terrorists were able to exact their toll. Too often, when we think of weapons of mass destruction, we conjure up images of the "nuclear suitcase" or of biological and chemical agents; all requiring a rather sophisticated degree of technological or scientific knowledge for their production. Some of these may well be available on the open market but, one suspects, not too readily.

We do not wish to suggest that such methods would never be used. Quite the contrary, we must be increasingly vigilant about such possibilities for the consequences could well prove even more catastrophic than those of September 11th. At the same time, we must recognize that, given the nature of our modern-day open society, great damage can be inflicted with very low-tech everyday means.

"Airliners and skyscrapers by themselves are benign. Bring them together at speed, guided by the world's most sophisticated computer — the human brain — and driven by that most powerful source of motivation — the human will — and you have a binary weapon of mass destruction."[4]

The tragic events of September 11th were made possible by: cell phones, open borders, easy travel, our open society, international banking, etc. Indeed, it was made possible by the very values upon which our modern society is based.

Asymmetric techniques target the vulnerabilities of a state. As the techniques have changed so, it seems, have the motives of terrorists. Thirty years ago the aim of terrorism was to publicize a cause and to mobilize support on its behalf. Groups that carried out attacks would claim responsibility for them, wanting the wider public to know what and why they had done what they had. Casualties and fatalities tended to remain low and hostages were generally released. To do otherwise might only have led to alienating potential supporters or to severe countermeasures that might have destroyed the group.[5]

According to Dr. David Charters, since the early 1980s, things have changed. Many terrorist incidents have gone unclaimed, suggesting a change in motivation from mobilization to punishment. Some groups no longer feel the need to publicize their cause and to rally support. Today, "…their primary motive is to strike a major, damaging, physical, and psychological blow against their enemies." This has resulted in much higher casualties, with the 1980s and 1990s witnessing incidents wherein hundreds died and many more were injured. The most recent attacks, however, represent a quantum leap in

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4 Dr. David Charters, Centre for Conflict Studies, University of New Brunswick, *Proceedings*, November 1, 2001.

5 Ibid.

lethality, leading Charters to conclude that the playing field has been levelled, putting "…the most effective terrorist groups on a par with the states that are their enemies."[6]

This is not to argue that terrorist groups are in any sense on a military par with mature states. It is only to recognize that, given sufficient funding and organizational skill, terrorists can "…create weapons with the destructive power equal to the major weapons of a state, use them to strike at centres of gravity…and thus inflict catastrophic human, psychological, political and economic damage on a state, with major ripple effects on global security and stability."[7]

We need to understand that the war against terrorism is bound to be a long one and that complacency in this struggle is something we cannot afford. Having been surprised once does not mean we cannot be surprised again. September 11th clearly demonstrated that there are no longer any limits to which terrorists will go in pursuit of their objectives.

If the conditions giving rise to a particular brand of fanaticism are rooted in poverty or some other form of unjustifiable deprivation — the loss of historically held territory or the yearning for democratic self-rule — then we can have an idea of how to address the "structural" problems of root cause. If the determinants are those of religious or ideological zealotry, then matters become more complex. Here the application of reason and compromise will likely produce little in the way of results.

Military preparedness is an indispensable prerequisite for dealing with the realities of the new strategic environment. Those who suggest that the world will "order itself" and that we can, because of our privileged position, remain apart from its conflicts, with no cost to ourselves, are simply misguided and naïve.

The CF is only one component in the fight against terrorism. Overall success will depend on the effectiveness of interagency coordination and on partnerships between these and domestic and international law enforcement agencies. As relevant government organizations adjust to meet new challenges, the CF will need to do the same.

C. Homeland Defence

The increased importance of interagency cooperation is, in part, due to the current emphasis on homeland defence. Until September 11th, the tendency was to argue that defending the homeland was something that was done from "over there"; not along our land borders and coastlines. While we have had the occasional squabbles over fishing rights, these were more often with close allies rather than with what might be defined as potential foes. Even in the United States, where homeland defence has always been

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6 Ibid.

7 Ibid.

prevalent in debate and planning, the air defence squadrons that used to investigate suspicious aircraft or to escort Soviet long-range reconnaissance aircraft had been reduced to four reserve squadrons.

The shape of homeland defence will largely be determined by the following:

- The United States is the world's only superpower and, therefore, any attack on it will in all probability be indirect or asymmetrical.
- The U.S. homeland is a target.
- Certain nations that might be considered a potential threat are gaining the ability to develop chemical, biological, nuclear and missile technology.
- Information technology and globalization have increased the powers of transnational actors, while at the same time making it more difficult for nation states to defend against them.
- Future attacks may be by conventional means or by CBRN (chemical, biological, radiological or nuclear) weapons. CBRN attacks could prove particularly lethal given that our emergency response systems simply do not have the means to handle a large scale CBRN attack.
- While the U.S. may be the primary target, its allies will not be immune. As the United States tightens its security, softer allied targets may be sought.

When we speak of the homeland defence of the United States, we are invariably speaking of our own. And when speaking of our own we cannot do so without taking U.S. realities into account. Any large scale attack which has significant economic impact on the U.S. will inevitably be felt in Canada. The fact that our homeland defence is inextricably bound up with that of our southern neighbour, means that we must be willing to bear our fair share of the burden. One suspects our neighbours remain sceptical about our willingness to do so.

Our desire to provide for our own security and sovereignty has always been a matter of concern in light of U.S. willingness to do it for us. In 1938, President Franklin Roosevelt noted that: "The people of the United States will not stand idly by if domination of Canadian soil is threatened by any other empire." Prime Minister Mackenzie King replied that "Canada shall remain as immune from attack or possible invasion as we can reasonably expect to make it, and that, should the occasion ever arise, enemy forces should not be able to pursue their way either by land, sea or air, to the United States across Canadian territory."

This is a piece of common sense we do well to heed today. Both nations need to protect each other in order to protect themselves. In our case, however, we are also protecting ourselves from potential U.S. intervention in Canadian affairs.

The United States is in the process of creating a new mechanism for continental defence and will do so, largely, on its own terms. For us, the question will be how far we go along with some of the more obvious initiatives. The answer to this may well depend upon how much the government values our role in NORAD and the special relationship this alliance has afforded us. Over the years, our defence relationship with the United States has proven of great benefit, far outstripping the costs to us.

Thus, we should not be overly concerned with changes being made to the U.S. Unified Command Plan. The revised plan creates a new combatant command, U.S. Northern Command, and assigns it "…the mission of defending the United States and supporting the full range of military assistance to civil authorities." Effective October 1, 2002, the plan also designates geographic areas of responsibilities for all combatant commanders and assigns them responsibility for security cooperation and military coordination with all countries in the region. Northern Command's area of responsibility will include the continental United States, Canada, Mexico and portions of the Caribbean region. While Alaska will be included in this assignment, Alaskan Command forces will remain assigned to U.S. Pacific Command. The commander of U.S. Northern Command will also be responsible for security cooperation and military coordination with Canada and Mexico.[8]

There are those who have argued that any participation, on our part, in Northern Command, would weaken our sovereignty. Nothing could be further from the truth. As a sovereign state we can decide to participate or not to participate — that is a sovereign decision. What we need to do, when making our decision, is to engage in a careful calculation of our national interest. Will that interest be best served by having a seat at the table when decisions are made, as in NORAD, or, will it be best served by absenting ourselves and leaving matters of strategic decision to the Americans?

Our view, as a Committee, is that our long-term interests will best be served by engaging the Americans on this matter. Having a presence will allow us to affect the decisions being made. But, we cannot allow ourselves to come empty handed. If we are to engage the Americans, then, we need to do so on the basis of a significant partnership — one wherein we carry our fair share.

Here it is also important to note that, while we usually concentrate on the sovereignty protection aspect of the Canadian Forces Mission, the CF is also there to ensure internal security. Their mission includes aid to the civil power. We have seen how that mission has been discharged, in 1970 during the October crisis and in 1990, during the Oka situation. As well, there was the extraordinary help provided during the Chicoutimi and Winnipeg floods and the Ice Storm in Eastern Canada.[9]

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8 United States Department of Defense, *Press Release,* April 17, 2002.

9 The Hon. Jean Jacques Blais, *The Security Sector and the Rule of Law in Post-Conflict Contingencies,* Memorandum Submitted to SCONDVA*,* April 29, 2002*.*

We often tend to forget that the military, in democratic societies, is the final guarantor of the rule of law. This is possible because, in performing that role, the military itself remains subject to the rule of law — it never pretends to rise above it. In Canada, the CF are an important guarantor of the constitutional principles of “peace, order and good government”.[10] The CF have then always been an important part of “homeland defence”, that is, of helping to guarantee our freedoms as citizens while also ensuring our physical safety.

[10] Ibid.

CHAPTER 2: THE LIMITS OF CURRENT POLICY

A. 1994 Defence White Paper

The 1994 Defence White Paper is still official government policy. However, we have heard calls, some from officialdom, to the effect that it is time to revisit some of its assumptions. Our Committee would certainly welcome such an initiative and do all it could to ensure its success. The '94 White Paper was itself the government response to a report of the Special Joint Committee on Canada's Defence Policy (1994). The Special Joint Committee's review was one of three broad policy reviews carried out in the wake of the 1993 Liberal election victory — the others being foreign and social policy.

The Committee's report — entitled *Security in a Changing World* — was wide ranging though hardly iconoclastic. It did little to bruise departmental dogma, but did call for an increase of 3,500 in Regular Land Force personnel levels. This was largely in recognition of the increased peacekeeping duties faced by the Canadian Forces. Although the report called for a 25% reduction of resources dedicated to fighter aircraft and recognized the need for "fiscal responsibility," it also argued for the need to maintain a combat-capable multi-purpose armed forces. It further concluded that the CF needed an increased capability in air and sea transport to support increased activity by Canadian troops abroad. Finally, the Committee also recommended that headquarters units be reduced by one-third and the number of headquarters personnel by 50%.

In the White Paper, the government made a commitment to increase the army's field force by 3,000, but these were not to be new personnel. As well, the overall force was to be reduced to 60,000. The Special Joint Committee had declared that 66,700 was "…the minimum capability required for Canadian Forces to play a meaningful role at home and abroad." With the 3,500 it called for in addition to the Land Forces, this meant that the Committee considered an appropriate personnel level to be approximately 70,000.

The White Paper reduced spending on the fighter force by 25% and cut back the resources committed to headquarters functions by one-third. From a military perspective, this meant that the CF would be expected to contribute the following in multinational deployments either through NATO, the United Nations (UN) or a coalition of like-minded states:

- Deploy, or redeploy from other multilateral operations, a joint task force headquarters and, as single units or in combination, one or more of the following elements:
  - a naval task group, composed of up to four combatants (destroyers, frigates or submarines) and a support ship, with appropriate maritime air support;

- three separate battle groups or a brigade group (composed of three infantry battalions, an armoured regiment and an artillery regiment, with appropriate combat support and combat service support);
- a wing of fighter aircraft, with appropriate support; and
- one squadron of tactical transport aircraft;
- provide within three weeks, single elements or the vanguard components of this force and be able to sustain them indefinitely in a low-threat environment; and
- within three months, the remaining elements of the full…force.

- earmark an infantry battalion group as either a stand-by force for the UN, or to serve with NATO's Immediate Reaction Force; and
- have plans ready to institute other measures to increase the CF's capabilities to sustain existing commitments or to respond to a major crisis.

B. Critics

The 1994 White Paper was generally regarded as a "measured," though somewhat status quo, response to the changing strategic environment of the time. Reductions were inevitable and Canada was not the only country downsizing. However, many argued that Canada had reaped its peace dividend long before the end of the Cold War.

The government had barely brought its new policy into being when questions began to be asked as to whether even its minimalist commitment could be sustained. Could such a small budget sustain a modern multi-purpose combat force — one equipped and trained to be able to "fight alongside the best against the best?"

It wasn't long before a growing consensus began to emerge to the effect that the Canadian Forces could no longer sustain themselves and their missions without a significant infusion of funds. Between 1993 and 1998, the defence budget fell by 23% and the Department's real purchasing power fell by more than 30%. In 1998, the Auditor General (AG) argued that an additional $5-6 billion was required in the capital account over the next five to ten years to replace worn-out equipment. In 2000, the AG pegged the annual deficit for the DND Operations and Maintenance account at $750 million. In 2001 the AG revised this shortfall upward to $1.3 billion.

The increase is consistent with the findings of recent studies done by the Conference of Defence Associations (CDA), including *Caught in the Middle: An Assessment of the Operational Readiness of the Canadian Forces*. During the period 1999 to 2006 the government will have increased DND funding by $5.1 billion. However, only $750 million of that total will comprise an increase to the budget base, and is therefore far short of alleviating the Capital and Operations and Maintenance shortfalls. CDA studies

also show that between $2 to $3 billion of the DND annual budget of some $12 billion is not available for expenditure on military capabilities, being committed instead to objectives such as provincial disaster relief, pension contributions, transfer payments, employment insurance and so on. This "flow through" money adds nothing to our military capabilities and overstates what is in fact a very limited budget.

The Council for Canadian Security in the 21st Century also raised concerns over funding shortages and "rust out." In its 2001 report entitled *To Secure a Nation*, the Council recommended increasing the defence budget as quickly as possible. This year, the Standing Senate Committee on National Security and Defence tabled its report, *Canadian Security and Military Preparedness*, in which it called for an immediate injection of $4 billion into the defence budget.

Those who had taken the time to examine the state of the Canadian Forces invariably came to the same conclusions:

- the requirements of the '94 White Paper could not be sustained by current funding levels;
- the increased operational tempo of the post-Cold War period was putting too much stress on the CF; and
- if nothing was done, the CF could soon face a crisis, if it was not already doing so.

We are now in a situation where we will either have to increase funding or significantly restructure the CF. Or, we may simply decide to limit future commitments. However, limiting commitments for the sake of cost savings may not be that easy. Given our preference for multilateralism, the current focus on Africa, and our alliance responsibilities, the CF will, in all likelihood, be called upon to do more rather than less. The general principles underlying the White Paper are, we believe, still sound. The 1994 policy statement identifies three broad tasks for the CF:

- The protection of Canada;
- Canada-U.S. defence cooperation;
- Contributions to international security.

These are not only reasonable tasks; they are essential ones. What will change from time to time is the emphasis we place on each. We have an obvious hierarchy of taskings. What will prove increasingly important in relation to the first two will be the dictates of homeland defence. At the same time, our contributions to international security are proving far more onerous than when the White Paper was written. The choices we make in regard to these tasks will have a necessary bearing on our force structure.

As a nation, we can choose the amount of effort and money we are willing to contribute to our foreign security involvement, but we cannot choose the kind of foreign security environment that we operate within. Few would agree that the world is safer now than it was ten years ago. This environment is becoming more complex and will, in all likelihood, demand much of the CF: perhaps more than it is presently capable of delivering. The CF is a small force, and so we must ensure that we have a force structure that yields high strategic leverage. Our tradition has always been to fight alongside allies and this will not likely change. At the same time, it is also important that Canada's forces make a military difference when deployed and that they be widely recognized as doing so.

To be a meaningful participant requires a balanced, well-equipped combat capable force — one that can deploy rapidly and that is interoperable with its major allies. As a Committee, we are convinced and cannot emphasize strongly enough that we are not spending sufficient funds to ensure this commitment. The Canadian Forces need stability and predictability in their funding. We therefore recommend that:

RECOMMENDATION 1

The government increase the annual base budget for the Department of National Defence to between 1.5% to 1.6% of GDP, with the increase to be phased in over the next three years, and continue to move towards the NATO average.

Such levels should ensure that the Canadian Forces can recoup and confidently plan for the future. While our GDP may fluctuate somewhat, such a funding guarantee would nonetheless make predictability in planning far easier than what it has been to date.

As well, when looking at average percentage of GDP expenditures, we find that the bottom one-third of NATO countries spends an average 1.3% of GDP. The top two-thirds spends an average 2.6% of GDP. We believe it is reasonable to assume that Canadians take little pride in our languishing in the bottom third. Canada today spends 1.1% of its GDP on defence. At the same time, we should also point out that we agree with statements made by the Minister of National Defence, Art Eggleton, that we get much in return for that investment. Canadians probably get more for outlays in defence dollars than any other NATO country; this largely due to the experience and dedication of our military personnel.

While the foregoing would allow DND to plan for the long term, there is still the problem of "catch up." We therefore recommend that:

RECOMMENDATION 2

In order for DND to be able to purchase necessary capital equipment, in a timely fashion, the annual shortfalls identified by the Auditor General, be made up as quickly as possible.

We might also note that, while we found the report of the Standing Senate Committee on National Security and Defence, to be insightful and extremely useful, we would hesitate to argue on behalf of an immediate injection of $4 billion to the defence budget. We are not convinced that the Department of National Defence could effectively absorb such a large and immediate increase.

C. The Link Between Foreign and Defence Policy

Serious errors in defence policy can take many years to correct and to suddenly throw huge sums of money at defence, in the absence of a foreign policy and defence review, could prove somewhat premature, if not irresponsible. When it comes to defence planning, it is always wise to hasten cautiously. Foreign and defence policy, while necessarily linked, are very different in nature. Foreign policy guides the external affairs of the state and, because it is by nature a "higher or first order" activity provides guidance to a host of policy instruments. Defence policy is, by its very nature, largely guided by foreign policy — defence policy is "declaratory."

A further point to bear in mind, and one often forgotten, is that foreign policy can quite easily be changed, whether by way of substance or emphasis. Such may be the consequence of a new minister, a new government, a shift in national interest, or domestic demand. However, to carry out a radical change with regard to our air or maritime forces would take several years, especially if it required the acquisition of new equipment. Thus, any serious mistake in defence policy will not be easily fixed.

Foreign policy has a variety of instruments at its disposal, and one of these is the CF. When called upon, the Canadian Forces help promote foreign policy goals and the national interest by influencing the behaviour of others in ways favoured by Canada. They help provide for the extension and expression of Canadian values abroad.

Thus, our force structure must take the nature and scope of foreign policy objectives very much into account. And, foreign policy planners, when contemplating change, should look over their shoulders to make sure that the military is capable of, and equipped for, the tasks at hand.

An ambitious and active foreign policy will require an appropriate military as one of its instruments. And if there is one thing our Committee has learned over the years, it is that we cannot afford to sacrifice the men and women of our armed forces on the altar of overly ambitious foreign policy goals or ventures. When foreign policy commitments outstrip our military capabilities, the consequences could prove disastrous.

A defence review needs to be pursued judiciously. Today, it is much more difficult to make defence policy than it was in 1994 and, therefore, much easier to get it wrong. A proper review will be one that is transparent, wide ranging and one that gives access to public opinion and concern. It should also be based on a clear understanding of foreign

policy objectives on whose behalf the CF is to act as instrument. We therefore recommend that:

RECOMMENDATION 3

Any future defence review have significant parliamentary and public input.

As already noted, a defence review need not be an act of transcendence. While basic questions need to be addressed, a review may emerge as little more than a guidance check; an attempt to provide assurance that we are still on the "right track." However, the alternative to a review — the continuance of reactive incremental decision making — means that the larger questions remain unanswered and the institution continues to founder. Once institutional direction is lost, individual units begin to loose their sense of purpose and finally, individuals begin to ask themselves "why it is that they are doing what they are." In the end, the CF cannot provide its own justification.

Governments seek stability in policy, especially when confronted with a rapidly changing environment. A defence review should therefore not be undertaken in the absence of a settled foreign policy. There must be a coherence between foreign and defence policy. A poor understanding of what is happening in the international environment, and of the implications thereof, will likely generate an ill-advised defence policy. But, when all is said and done, the direction that defence policy should take will ultimately be a political decision.

D. Intelligence

One of the most important tools in meeting the challenges of asymmetric threats is sound and timely intelligence. Such knowledge can help one to neutralize threats before they materialize thereby saving countless lives. Several of our witnesses argued that it might be appropriate for Canada to establish its own foreign intelligence gathering agency or, at least, to significantly increase its current abilities to assess intelligence.[11]

When considering an enhanced intelligence capacity, it is important to note that expanding such capabilities only to collect more data would prove futile. What is required, along with intelligence gathering, is "…a very robust and high quality analysis and assessment office or bureau."[12] In the end, it is the soundness of the analysis that will persuade the user — or so one hopes. Without analysis, the information gathered is little more than "white noise."[13]

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[11] Anthony Forster, *A Question of Intelligence: Foreign Intelligence Gathering and Analysis, and the Canadian Government*, Discussion Paper provided to Committee staff.

[12] David Charters, *Proceedings,* November 1, 2001.

[13] John Thompson, Director, Mackenzie Institute, *Proceedings,* October 25, 2001.

An intelligence product is one that uses open source data (press releases, newspapers, the Internet, technical publications, etc.) as well as covert sources and satellite imagery, signal analysis and more. While recognizing the importance of good intelligence, we might also ask why we need to enhance our capabilities when we already enjoy extensive intelligence sharing arrangements with the United States and other allies. Anthony Forster offers the following for consideration:

- Policy decisions in Canada are partially being made based on assessments generated with data from sources that are not Canadian controlled. The very nature of this arrangement almost guarantees that data and assessments sent to Canada will be tainted by the contributing country's policy concerns.
- Having an increased intelligence gathering capability can provide a potent force multiplier to a military that is currently cash strapped.
- In an information age, with increasingly intertwined defence, economic and cultural ties with other nations, the lack of a strong and well-organized foreign intelligence gathering and analysis capability is an invitation to foreign policy errors, or worse.
- Canada's intelligence community currently is a variety of assets spread among different ministries and in need of greater direction and coordination from the top.
- With so many new threats, (as opposed to a single national threat as during the Cold War), and with so many agencies with intelligence requirements that need to be addressed with data from outside Canada, a reworking to focus on international threats is vital.[14]

However, before the government can reform the intelligence community, it needs to carefully examine its foreign policy goals and defence concerns. The conclusions reached will go a long way to establishing priorities for whatever agency or aggregation of agencies comes first.[15] In light of this, the recent caution by the Deputy Prime Minister, John Manley, that the creation of a new agency is not something to be rushed into and that "…it is one of those deeper issues which requires a lot more careful thought and consideration," is well taken.[16]

The purpose of a foreign intelligence gathering and assessment capability is to provide accurate, timely, and impartial all-source intelligence products to assist the Cabinet and the Prime Minister in the formulation of national and international policy. Canada already does some foreign intelligence gathering. The Communications and Security Establishment (CSE), the Canadian Security and Intelligence Service (CSIS) as well as the Department of Foreign Affairs and International Trade (DFAIT) and Military Intelligence all perform this function to varying degrees.

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[14] Anthony Forster, *A Question of Intelligence*…

[15] Ibid.

[16] *National Post*, April 11, 2002.

When considering intelligence gathering, it is always important to bear in mind the distinction between "security intelligence" and "foreign intelligence." The *Canadian Security Intelligence Service Act* defines security intelligence as "threats to the security of Canada". As defined in the Act, these threats include:

- Espionage or sabotage that is against Canada or is detrimental to the interests of Canada or activities directed toward or in support of such espionage or sabotage;
- Foreign influenced activities within or relating to Canada that are detrimental to the interests of Canada and are clandestine or deceptive or involve a threat to any person;
- Activities within or relating to Canada directed toward or in support of the threat or use of acts of serious violence against persons or property for the purpose of achieving a political objective within Canada or a foreign state; and
- Activities directed toward undermining by covert unlawful acts, or directed toward or intended ultimately to lead to the destruction or overthrow by violence of the constitutionally established system of government in Canada.

While the Canadian Security and Intelligence Service (CSIS) is allowed to collect security intelligence both in Canada and abroad, the information collected must be directly related to these threats.

Foreign intelligence is different from security intelligence in that it is concerned with information about the intentions and activities of foreign governments and individuals or other non-state actors. The information sought may relate to a host of factors. These may be economic, military, criminal, technological, or political. In the final analysis, foreign intelligence would encompass anything the Canadian government deemed to be in the national interest.

As already noted, CSE and CSIS already do a degree of foreign intelligence gathering. CSE, through its electronic eavesdropping operations may target individuals or delegations possessing economic or political information that would fall outside of CSIS's security intelligence mandate. CSIS, for its part, may collect intelligence from friendly security agencies, with which it has exchange agreements, or from human sources. However, both CSE and CSIS can only target foreign individuals or entities to collect foreign intelligence.

There are those who argue that we can glean enough information from "open sources" to satisfy our foreign intelligence needs. Indeed, the vast majority of information and data used by government decision makers comes from open sources. Intelligence may be a small value added in terms of percentage. However, it can prove of critical importance when it comes to either confirming or rejecting analyses based solely on open sources. Clandestine intelligence, due to its sensitivity and timeliness, can be of

inestimable value. Clandestine and open source intelligence should then best be viewed as complementary.

In today's increasingly open and complex global environment, governments require sound intelligence. It would be folly to assume that open source information could provide all that is required for informed decision making. Canadian military deployments to conflict zones overseas require effective national intelligence. In both Somalia in 1993 and Zaire in 1996, effective pre-deployment intelligence information was likely inadequate. This, of course, makes us ask, "why is Canada the only G-8 country without a foreign intelligence agency?"

Our role as international peacekeeper/peacemaker, our struggle against international crime and terrorism, and our desire for an independent foreign policy — one representing Canadian national interests — all tend to suggest the need for a Canadian foreign intelligence agency. Independent decision making requires an independent base for judgement; this cannot be assured if the preponderance of our foreign intelligence is provided by others, even though they may be our closest allies. Our closest military allies are also our strongest economic competitors. Economic intelligence is increasingly important and here, the lack of a foreign intelligence agency definitely leaves us at a disadvantage.

If we are to improve our foreign intelligence gathering capabilities, we might then wish to consider the establishment of a Foreign Intelligence Agency (FIA). In 1981, the Macdonald Royal Commission on the activities of the RCMP security services suggested that such an agency be created. However, because the matter was not within the Commission's mandate, no formal recommendation was made.

The Commission had concluded that the lack of a FIA placed Canada in a position of considerable dependence on its allies. At the same time, it was also argued that the dual responsibilities of security intelligence and foreign intelligence should not be placed within the same agency. Whereas a security intelligence agency must adhere to the rule of law, a foreign intelligence agency requires a degree of flexibility. Getting sound intelligence on matters such as terrorism, economic issues, the proliferation of weapons of mass destruction, illegal immigration, etc. requires a combination of signals (SIGINT) intelligence and human intelligence (HUMINT) — intelligence on the ground. An objective source of the latter can only be guaranteed through our own international intelligence agency.

If we continue primarily to rely on CSE and CSIS for our intelligence gathering, then our ability to respond to new threats, and to protect our vital national interests, will remain limited. Governments confronted with international security issues, and whose economies are based primarily on trade, need an independent foreign intelligence capability. Our ability to gather foreign intelligence needs to be expanded to deal with these matters. The importance of sound intelligence cannot be overestimated. In the wake of September 11th we heard how the tragedy might have been avoided had it not been for a failure of intelligence — a failure of intelligence on the ground.

While we did not set foreign intelligence gathering as a major focus of our study, we did hear enough, in the way of evidence, to have us conclude that it is increasingly important. As a sovereign nation we must have an independent basis for foreign intelligence assessment. Cooperation with our allies is essential and productive, but we would be foolhardy to assume that our allies always view events through the same lens we do or that their national interests are always in harmony with ours.

Given the realities of the post-Cold War strategic environment, and the need for Canada to have an independent foreign intelligence gathering capability, we recommend that:

RECOMMENDATION 4

The government review the existing security and intelligence structure with a view to determining whether or not open source and foreign intelligence are being effectively coordinated and to determine whether or not an independent foreign intelligence agency should be established in order to ensure that Canada's vital national interests are being served.

CHAPTER 3: OPERATIONALLY READY FOR WHAT?

One cannot evaluate the operational readiness, or even the relevance, of a military force unless we know what it is expected to be able to do. As a Committee, we believe that the Canadian Forces should, at a minimum, be able to make a "modest" but meaningful contribution (in the sense of being able militarily to make a difference) to United Nations, NATO or multilateral operations. Here, we are speaking about contributions across the spectrum of combat intensity.

The question is, "will we be able to fulfill even such modest commitments on a continuing basis?" In the most recent departmental Level I Business Plans, senior officers and officials acknowledged the stresses faced by the CF as it tries to maintain even core capabilities — "…capabilities that are the backbone of the multipurpose combat capable force and future defence and foreign policies."[17]

The conclusions of recent DND business plans cannot leave one optimistic about the operational readiness of the Canadian Forces. While most believe that the Navy is best prepared for operations, the Chief of the Naval Staff has, himself, expressed reservations in this regard.

We already have one destroyer tied up dockside for lack of crew. Further losses in personnel will only compound matters. We have some of the best frigates in the world. However, even the most sophisticated warship, without crew, is a waste of a significant public asset.

The official response may be that current shortfalls will quickly be made up by the success of the recruiting campaign. This is all well and good, but new recruits require experienced personnel to train them. Our concern, given current taskings and deployments, is whether we do in fact have the personnel available to do the training, and, at the same time, to ensure that all operational requirements are being met.

Among the problems cited by the Chief of the Naval Staff were:

- The Navy will not be able to deliver its mandated level of maritime defence capability without additional resources.
- The increased cost of fuel, combined with no flexibility in operating budgets, will lead to a reduction in fleet operations.

[17] Professor Douglas Bland, *Canada and Military Coalitions: Where, How and With Whom?"* IRPP, Vol. 3, No. 3, February 2002, p. 35. Departmental Level I Business Plans are published yearly in response to the Defence Plan and in them senior officers and officials report on the current and foreseeable situation they face in trying to meet government policy declarations." See Bland, p. 35-36.

- Maintaining a balance between sustaining current capabilities at a minimum level, investing in "quality of life," generating savings for the future and implementing change remains elusive (if, for example, we concentrate on future technologies and save for these by not adequately investing in current capabilities, we might run into problems if called upon for an extensive deployment).
- The Navy faces serious personnel shortages in a number of trades and specialities.
- Force development studies for major ship and system modernization are in jeopardy due of lack of funds.
- Aircraft fleet reductions, national procurement reductions and a shortage of personnel will have a direct impact on the Navy's ability to conduct surveillance of and control Canadian territory.[18]

Overall, it was concluded that these problems have the potential to severely degrade fleet operations and effectiveness. As if the foregoing were not enough, the Navy may also be saddled with the responsibility of Arctic sovereignty and security patrols as the polar ice cap melts.

The Chief of the Air Staff concluded the following with respect to his service:

- The high operational tempo, numerous change initiatives (not always well coordinated) and significant fiscal and human resource limitations contribute to an increased stress level for personnel at headquarters, wings and squadrons.
- The Air Force is "one deep" in many areas and has lost much of its flexibility, redundancy and ability to surge (that is, to rapidly concentrate forces for critical missions).
- The Air Force faces significant personnel shortfalls. For pilots, the situation is extremely serious and will likely get worse over the next three years. The result will be a loss of capability. Other air force classifications are below the Preferred Manning Level, also leading to loss of capability.
- One of the most difficult challenges in the period 2001-2004 will be dealing with resource reductions (e.g. the reduction in Auroras from 18 to 16) while meeting DND and government performance expectations.
- The elimination of important parts of modernization programs appears to be the only potential areas of savings.

[18] Ibid., p. 36.

The Army Chief of Staff delivered the most pessimistic message. According to him:

- The Army is overdrawn on its human capital account, in both the physical and psychological senses.
- The Army is not sustainable under the current circumstances.
- The ability to generate only sub-unit sized force packages does not meet the demands of the '94 White Paper.
- Structural changes such as Army transformation will not ultimately resolve the resource dilemma.
- The level of commitment in Bosnia is not sustainable.
- Specific problems facing the Army of today include personnel fatigue, stress, and regular and Reserve unit strengths and leadership cadres that have fallen to critical levels. There should be no illusions as to the size and cumulative impact of rotation stresses on Canada's small army;
- Either a resource infusion will sustain existing force levels, or force levels will be reduced to match projected resource levels.[19]

Finally, we might do well to remember that General Maurice Baril, in his final report on Operation Assurance, the attempt to deploy an emergency force to Zaire in 1996, concluded that the operation was hampered "due to factors as the active posting season, leave, equipment [un]availability, and other tasking, there exists a real life gap between our real readiness levels and those derived from Defence Planning guidance tasks."[20]

Needless to say, this statement is quite telling. It reminds us that it is important to distinguish between the theoretical or planned capabilities of the CF and the actual or real capabilities. Michael Hennessey has observed that for the Canadian Forces "moving from notional capability to actual capability was problematic," during the period described, mainly because real operational readiness was difficult to gauge. Douglas Bland has gone on to conclude that "…the operational readiness system, such as it is, has long been criticized as being unreliable. There is little evidence to suggest that this serious defect in national security planning has been corrected."[21]

In our *Report on Plans and Priorities* (June 12, 2001), we argued that "There can be no question that CF personnel have gained much experience through repeated and varied deployments over the last decade which many of those who served during the Cold War never gained. Today's serving men and women have confronted challenges never envisioned by those that stood ready on NATO's central front. Thus, it is reasonable to

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19 Ibid. p. 36-37.

20 Ibid. p. 11 See also, Michael Hennessy, "Operation Assurance: Planning for a Multinational Force for Rwanda/Zaire." *Canadian Military Journal*, Vol. 2, No. 1, Spring 2001, p. 11-20.

21 Ibid. p. 12.

conclude that today's CF personnel — as individuals — are as combat capable, if not more so, than their comrades of earlier years. However, this is not the same as arguing that the overall 'system', for lack of a better term, is as combat capable as it was ten years ago." There is nothing we have heard in the way of testimony, in the interim, that would lead us, as a committee, to change our view.

When we argue on behalf of the necessity to maintain credible armed forces, it is not because we believe we can thereby influence international events involving the major powers. Still, they might be more inclined to listen if we brought significant resources to the table. Professor Douglas Bland takes this argument further. Canada, he says, "requires armed forces not to influence others' decisions about their interests and actions, but to influence decisions others may take about Canada's interests and policies." In the absence of adequate Canadian military forces, "…others will take decisions about vital Canadian interests in North America and internationally."[22]

A. Capability-Based Planning

As noted at the outset of our report, the strategic environment, for which we expect our military to be prepared, is an increasingly complex one. The lack of "traditional" or "obvious" foes makes planning difficult. How do we determine the appropriateness and readiness of a force in the absence of a clearly defined enemy? How do we assign clear missions for which to prepare, when we cannot readily know from where the next challenge will come? Needless to say, these realities will continue to complicate the lives of force planners for sometime to come.

In order to deal with the complexities of the foregoing, the United States has moved to what is called a capabilities-based planning system. Such an approach, while not precluding the consideration of specific threats, does shift the weight of planning considerations away from the historical emphasis on specific threats. As explained by General Richard Myers, Chairman of the U.S. Joint Chiefs of Staff:

> The United States cannot know with confidence which nations, or non-state actors will pose threats to its interests, or those of its allies and friends. It is possible to anticipate with greater accuracy the capabilities that an adversary might employ. Such a capabilities-based model focuses more on how an adversary might fight than on who the adversary might be. It broadens our strategic perspective and requires us to identify the capabilities US military forces will need to deter and defeat a wide variety of adversaries.[23]

According to General Myers, an appropriate blueprint for change would then include the following:

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22 Ibid., p. 9.

23 United States, House of Representatives, House Armed Services Committee, General Richard B. Myers, Chairman of the Joint Chiefs of Staff, *Posture Statement*, February 6, 2002.

- The process of change must be based on an overarching set of capabilities that the forces must possess to support the National Security Strategy.
- These capabilities should be used to guide the development of joint operational concepts and architectures that drive decisions concerning materiel and non material improvements and to establish standards for interoperability.
- Because transformation involves more than fielding new systems, it is important to integrate requirements for new doctrine, organizations, training and education, leadership, personnel, and facilities into the process.
- The need to find ways to integrate legacy systems when it makes sense, while developing technological bridges with interagency and international partners.
- The transformation process must be characterized by unity of effort based on clearly defined roles and responsibilities throughout DOD (Department of Defence).

American strategic thinking has made an important shift, moving away from configuring U.S. forces for two simultaneous major regional conflicts towards ensuring that the U.S. has the capabilities to meet modern threats whatever their source and nature. What is of utmost importance is the ability to deploy quickly, have a high degree of interoperability and be able to make effective use of technological advances. These principles will have significant bearing, not only on the American military, but also on those of its allies. Combined operations will require other militaries to reach minimum standards of interoperability and technological sophistication. It is perhaps telling that it was the Marines, a service whose speciality is amphibious operations, which were the first corps of regular troops into Afghanistan — a landlocked country.

The U.S. Quadrennial Defence Review also identified broad areas of capability that could enhance U.S. military power. These included: advanced remote sensing, long-range precision strike, transformed manoeuvre and expeditionary forces, and systems to overcome anti-access and area denial threats. The need for, and effectiveness, of these was demonstrated in Afghanistan.[24]

The Afghanistan campaign has also shown the advances made in the Revolution in Military Affairs (RMA) — the use of computers, communications, sensors and weapons to refine military operations and speed-up cycle times in warfare. More will be done to enhance surveillance and intelligence gathering capabilities. The new demand is for "persistent" or "staring" surveillance, that is, for continuous surveillance. As well, assets contributing to a picture of a battle-space will receive priority; such as the Joint Surveillance Target Attack Radar System (J-STARS) airborne reconnaissance platform.[25]

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[24] "Defence Priorities in the anti-Terrorism Campaign," *IISS, Strategic Comments,* March 2, 2002.

[25] Ibid.

In addition, precision-guided weapons technology is likely to be boosted. While sea and air-launched cruise missiles will remain an important part of the weapons inventory, the new weapon of choice in Afghanistan has been the Joint Direct Attack Munition (JDAM). The JDAM "is a free-fall bomb given extraordinary accuracy by the addition to the tail of inexpensive satellite-guidance equipment using the Global Positioning System (GPS)." The inventory now also includes 2,000 lb. "thermobaric" bombs "which create intense heat and pressure and are particularly useful against targets in enclosed spaces such as cave structures, where forces may be sheltering." They were reportedly first used in Afghanistan in late February.[26]

Finally, Afghanistan has also demonstrated the value of special forces, whose virtue lies in flexibility and the ability to deploy quickly. The latter, of course, made possible by a wide variety of support aircraft and ships. The success of special forces will also spur the Army on to becoming more mobile and flexible.[27]

Needless to say, the United States is far ahead of us and all other allies when it comes to the Revolution in Military Affairs. However, while we cannot expect to match them, we all need to be able to work with them. The U.S. will expect it of us and, for obvious reasons, it is in our interest to be able to do so.

The Canadian Forces have also moved to a capabilities based approach. According to Lieutenant-General George Macdonald, Vice-Chief of the Defence Staff, we came to the same conclusions as the Americans.[28] The question for us, however, is "are we providing the proper force structure suggested by a capabilities-based approach?" The 1994 White Paper is, after all, still official policy.

Lieutenant-General Macdonald argued that a capability can be defined as "the capacity to act in a specific way to achieve a specific end." He also noted that capability goals are derived from government policy. While our conclusions, with respect to the need for moving to a capabilities-based approach were the same as those of the U.S., the Americans have had a defence review. They have had discussion and debate on the direction that U.S. defence policy should take — on the "ends" of defence policy.

We have a defence policy, designed in 1994, guiding an entirely new approach to force planning. What is important to remember here is that, in the final analysis, readiness is very much a political matter. It is the government that allocates resources and determines the ultimate objectives or ends of policy. As argued by Douglas Bland in his testimony before our Committee:

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26 Ibid.

27 Ibid.

28 Lieutenant-General George Macdonald, *Proceedings,* October 30, 2001.

> …I believe that the operational readiness of the Canadian Forces is a political responsibility, not merely a military responsibility. By that I mean that the Chief of the Defence Staff is responsible to prepare the Canadian Forces, but only to the standards directed by Parliament. Without a clear statement of readiness from Parliament, without a clear link between policies and capabilities, all those decisions about readiness made by the CDS may be simply haphazard and random.[29]

This is an important observation. Virtually everyone who appeared before us argued that the CF could no longer meet the commitments of the White Paper. In itself, this need not necessarily be viewed as a tragedy. The White Paper is an anachronism waiting for its epitaph. What is important is that we not allow a capabilities-based approach to be used to justify what we believe is an inadequate budget. But, in the absence of a defence review, we know only that the budget is inadequate when measured against the requirements of the White Paper — agreed by all to be somewhat dated.

At the same time, no one that has given testimony before our Committee would seriously argue for a reduction in defence spending. Yet, the issue cannot be laid to rest until the government provides some concrete direction with respect to what it wants the CF to be ready for. If we continue along our present course the CF will become increasingly rudderless. In light of the degree of concern around these issues, a responsible Committee must ask "why the obvious hesitancy over the initiation of a full fledged defence review?"

B. Assessing Readiness

When testifying before our Committee, Dr. Peter Kasurak, from the Office of the Auditor General, argued that: "…the problem with readiness is that it is very difficult and complex."[30] In a similar vein, Major-General (retired) Clive Addy, argued that "…in whatever form the government of Canada wishes to define the operational capability of its Canadian Forces, it must do so in such a manner that this capability is exercised and measured. Trying to get an idea of what is expected is rather difficult in the present White Paper. In Chapter 3, where it is stated that the maintenance of 'multi-purpose, combat capable forces is in the national interest,' the authors skittishly spend more time defining what this is not rather than what it is, and hence initiated seven years ago an inherent source of confusion and constant debate."[31]

Major-General (retired) Clive Addy here points to a basic requirement of readiness standards. If these are to make sense, they need to be assessed in light of clearly defined roles and missions, as well as on a clear statement of what we understand the threat to be. As he went on to note, "the difficulty is always to measure our capabilities in respect of an agreed standard. That standard is best derived…from operationally researched scenarios based on a clear defence policy and possible threats. I believe that to define this is

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29 Professor Douglas Bland, *Proceedings,* April 3, 2001.

30 Peter Kasurak, *Proceedings,* April 5, 2001.

31 Major-General (retired) Clive Addy, Presentation to SCONDVA, November 2001.

essential no matter how difficult it might appear to some."[32] The tradition has been to leave this to the judgement of senior commanders. As stated by Major-General (retired) Lewis Mackenzie, "…funny enough [readiness is] not a term we use…within the Army; historically it is a commander's responsibility to evaluate [readiness] according to his own standards." This is also a view supported by others. Lieutenant-General Gervais has argued that, "…commanders are obviously responsible for these particular [declarations] pieces of paper…you don't necessarily always have to have a piece of paper, it can be done verbally, but it can also be done later on by the commander on the ground."[33]

When the Somalia inquiry asked about the CF, and how operational readiness was actually measured, no coherent system could be brought forward. At the same time, the CF were "operating generally without an agreed system for measuring operational readiness."[34] From what we have been able to determine, it seems that little has changed. According to Kasurak, with respect to the CF, "…the concept of readiness has not been well developed, nor have adequate systems been built to manage it."[35]

Glamoc Range, Bosnia-Herzegovina. F Battery, 2 Royal Canadian Horse Artillery (2 RCHA) fire the LG-1 Mk II, a French-designed 105-mm howitzer.

The lack of an appropriate system is doubly disconcerting given that "readiness" is one of the essential concepts behind the management framework of all military organizations. It is a defining military concept, "…as vital to understanding the health of the armed forces as taking a pulse is to assessing the well-being of the human body." It is the Chief of the Defence Staff (CDS), along with subordinate commanders, who are responsible and accountable for the operational readiness of the CF. This responsibility is especially important when elements of the CF are to be deployed. It is, therefore, "…incumbent on officers in the chain of command to maintain an accurate picture of the state of the armed forces at all times and to assess the operational readiness of CF units and elements for employment in assigned missions before they can be deployed on active service or international security missions."[36]

According to agreed upon definition, operational readiness is "the state of preparedness of a unit to perform the missions for which it is organized and designed." It is closely associated with operational effectiveness, that is, with "the degree to which

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32 Ibid.

33 Report of the Commission of Inquiry into the Deployment of Canadian Forces to Somalia, Vol. 2, p. 697.

34 Professor Douglas Bland, *Proceedings,* April 3, 2001.

35 Peter Kasurak, *Sorting Out the Essentials of Readiness: A Look at the Canadian Forces*, Office of the Auditor General*,* 2001.

36 Report of the Commission of Inquiry…, Vol. 2, p. 671-72.

operational forces are capable of performing their assigned missions in relation to known enemy capabilities."[37]

What these definitions highlight is the fact that readiness is relevant and measurable only in relation to a unit's assigned mission. If there is no mission, there is nothing against which to assess readiness. "If a unit has a very general mission then, the measurement of its standards of readiness can only be general." [38] But, as the mission becomes more specific, so too does the assessment of readiness. What this tells us is that not all units need to be at the highest readiness levels at all times. To expect this is simply unreasonable and makes little planning sense. As well, the costs of maintaining all units at high readiness levels would be prohibitive. However, their readiness, once measured against their mission, needs to be understood according to clear and transparent standards of evaluation. As well, a unit should never be deployed unless it has clearly demonstrated that it is operationally ready according to such criteria. To simply ask of the commanding officer whether or not the unit is "good to go" is not sufficient.

Assessing and determining operational readiness is a function of command. Commanding officers, "…at all levels are responsible and accountable for the accomplishment of missions assigned to them and for missions they assign to their subordinate units, they are also accountable for the operational readiness of units to accomplish those missions." The assessment of readiness will inevitably comprise both qualitative and quantitative assessment criteria. "Strategic and tactical doctrine, leadership, and morale are all factors contributing to operational effectiveness and are part of the equation as much as numbers of personnel and equipment." [39] The mission statement is the *sine qua non* for assessing operational readiness, but, by itself, it cannot be a sufficient indication of the standard of readiness expected of units. Readiness is the responsibility of senior commanders and commanding officers. It is they who must clearly define for their subordinates the skills and functions required and the standards by which these will be measured in relation to assigned missions.

While we are not in a position to offer up a comprehensive system for measuring operational readiness, we can concur that an operationally ready unit should have the following:

- A clearly defined mission;
- A well-defined concept of operations appropriate to the mission;
- Well-trained and experienced officers and junior leaders;
- A unit organization appropriate to the mission;

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37 Department of National Defence*, Canada's Army*, 1998, p. 90. Also quoted in Report of the Commission of Inquiry, p. 672.

38 Report of the Commission of Inquiry… p. 637.

39 Ibid.

- Weapons and equipment appropriate to the mission;
- Adequate training of all ranks in tactics, procedures, operations of weapons and equipment, and command and control appropriate to the mission;
- A well-organized and practised system for the command and control of the unit in operations;
- Logistics and administrative support appropriate to the mission; and
- Good morale, strict and fair discipline, and a strong sense of cohesion and internal loyalty.[40]

Readiness assessments are especially important with respect to missions that are unusual or, in regard to which a commander has had little experience. Here, when assigning a mission, it is especially important to know the criteria for accomplishing the mission and the standards of readiness necessary to achieve it.

The strategic environment, in which the CF is now operating, is an unpredictable one. Determining readiness on the basis of assigned missions or planning scenarios will not be easy. We suspect, however, that the ability to do so is more crucial today than only a few years ago. On NATO's central front, roles, missions, timelines, etc. could be well, and easily, established. The threat was obvious, measurable and predictable. Today's threat is more ambiguous. Capabilities-based management is predicated on the fact that timelines will be unpredictable, as will the threat and mission. To be "good to go" is now a rather more complex matter.

In a very basic sense, readiness is about whether military units are capable of performing to their design limits and therefore requires careful management — states "…need to ensure that they have enough potential military capability to meet their security needs…and they must…ensure that this capability will be available when it is required." Too little capability will put deployed forces at risk, while low readiness could mean delays in deployment, poorly maintained equipment and inadequately trained troops. At the same time, as noted earlier, too much readiness can prove unnecessarily expensive. Thus, managing readiness involves making choices about where resources should be spent in the defence establishment.[41]

One of the models for assessing military capability, presented to our Committee, was that of the U.S. Army. The U.S. Army has five pillars or components of military capability:

- Infrastructure and overhead such as fixed bases, facilities and headquarters;
- Force structure which includes units with their equipment and personnel;

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[40] Ibid.

[41] Peter Kasurak, *Sorting Out the Essentials of Readiness*…

- Modernization and investment consisting of the capital equipment program and R&D;
- Sustainability — the stocks of consumables, replacement parts and Reserves personnel; and
- Readiness.[42]

Defence planners must, therefore, "trade off these components against each other to achieve the best mix." It is also important to know how much better off one would be by diverting money from readiness to modernization or from force structure to readiness.[43] If it is decided that investment in future technology is the preferred way to go, then, in order to achieve the savings that will allow for future expenditures in the RMA, current force levels may need to be kept below preferred levels. Such a scenario could prove particularly problematic during periods of high operational tempo.

In their testimony, the witnesses from the Auditor General's Office concluded that, given current budget overstretch, force structure, modernization and current readiness are still not being balanced. "There is still a discrepancy across the various pillars and…hard choices still need to be made regarding them." As a consequence, the CF will be faced with either making further reductions or seeking an increase in funding. For the AG, the status quo is simply not tenable.[44]

The readiness aspect of the five components of military capability includes:

- People — the military personnel in place and their qualifications;
- Equipment — whether it is on hand and whether or not it is serviceable;
- Training — are individual, collective, and joint training adequate for the tasks at hand;
- Enablers such as command-and-control and intelligence systems.[45]

These need to be regularly evaluated if we are to have an adequate understanding of whether or not units can meet their assigned missions, or whether they are realistically prepared for a variety of "potential" deployments.

Of course, there is no such thing as a perfect system of evaluation. However, there are certain criteria that are readily identifiable. "Over the years, the Office of the Auditor General has…developed views as to what a good readiness measurement system would look like." Such a system would be:

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42 Ibid.

43 Ibid.

44 David Rattray, Peter Kasurak, *Proceedings,* April 5, 2001.

45 Professor Douglas Bland, *Proceedings,* April 3, 2001.

- Comprehensive: A good readiness reporting system should include all the military units in the Canadian Forces, not just a few high-readiness ones. Without a comprehensive view, it is possible that a few units may continue to meet standards while the majority continue to decline. Overall trends become impossible to discern.
- Based on military units: Readiness systems should be based on organizational pieces that individuals can be held accountable for — units and formations. If readiness is reported on an abstract conceptual basis (for example, defence program goals or outcomes) measurements become almost impossible to verify and no one is left responsible for them.
- Positive: Every unit should report on every readiness factor in every time period. Exception-based reporting should not be used as it is vulnerable to the optimism of those reporting and masks trends that may not immediately trigger a report.
- Objective: Objective measures should be used wherever possible. The countable should be counted.
- Based on Commander's assessment: A commander's assessment will always be necessary to interpret the meaning of objective measures.
- Auditable: All management data should be auditable. It should be collected on a uniform basis and stored for a set period of time.
- Validated: Readiness measurement systems are subject to distortion and must be continually validated to determine whether measurements accurately portray the state of the units reported upon. One way to validate what is reported by readiness systems is to compare the results to assessments from free-play exercises, especially when these take place on an instrumental training range such as the national training centres in the United States.

The audits done by the AG have repeatedly shown that the CF does not have readiness reporting and management systems that can meet these criteria. Since 1984, the Department of National Defence has developed and discarded at least five separate readiness-reporting systems.[46] We hope that this is due to the fact that management has been trying to find the best system possible and not the system that will best justify its practices.

Our Committee believes that the Department of National Defence must put in place a proper and comprehensive method for measuring the readiness of the Canadian Forces. We also expect that, whatever method is finally adopted, it be put before SCONDVA for review and that, thereafter, the Department report to SCONDVA on a regular basis with regard to the state of readiness of the CF. It is fundamentally important for Parliament to have a sound appreciation for the state of readiness of the Canadian Forces and, as well, to have a clear understanding of the basis used for such determination. For parliamentarians to make sound recommendations with respect to defence planning

[46] Peter Kasurak, *Sorting Out the Essentials of Readiness*….

(largely understood as spending) we need to know about readiness targets, mission goals, and the degree of success the CF has in meeting these.

In this regard, we need help — honest help — from the experts who come before us. Unfortunately, our system is such that offering up honest opinion is not always rewarded. Those who appear before us sometimes seem more intent on guarding information than on sharing it.

In order to ensure the operational readiness of CF formations and units, we recommend that:

RECOMMENDATION 5

The Department of National Defence put in place a comprehensive system for determining the readiness of the Canadian Forces. This system should set clear and standardized measurements of operational readiness for the CF and its component units.

RECOMMENDATION 6

No notice inspections be carried out, on a regular basis, on the operational readiness of selected commands and units of the Canadian Forces.

RECOMMENDATION 7

Yearly readiness evaluations be done on the CF and its component units and that these be tabled with SCONDVA upon completion.

We need to ensure that the various components of the CF are operationally ready and that the standards used for assessing readiness are appropriate to the anticipated missions. As well, we need to ensure that our forces have the training and equipment that will make them interoperable with our allies. And finally, we need to set adequate funding lines to make the foregoing possible.

Lieutenant-Colonel John Boyd of the United States Air Force has argued that a sound scheme for ensuring operational readiness will rest on three things: people, ideas, and equipment. If you have the right people, you will generate the right ideas and these will ensure that you acquire the right equipment. We are convinced that the CF has the right people. Over the years, our Committee has visited virtually every Canadian military installation and has always come away feeling fully confident in the abilities and dedication of serving personnel.

We are also confident that our personnel will develop the appropriate ideas and concepts necessary for meeting current and future challenges. When meeting with them, we have always been impressed by the intellectual rigour brought to the discussions; this we found to be largely true for all ranks. However, the development of appropriate strategic, tactical, force structure, and operational constructs cannot be done in a vacuum. They are a response to two things — the strategic environment in which we find ourselves, and the overall policy goals set for the CF by government. It is, therefore, incumbent upon us to provide the requisite policy direction. The resulting framework will then guide appropriate decisions on numbers of personnel, training and equipment purchases.

CHAPTER 4: CANADIAN MILITARY CONTRIBUTIONS TO INTERNATIONAL STABILITY

A. Readiness of the Army

Canada has recognized many times in the past that it cannot ensure the security of its territory and of its citizens without making any contribution to the maintenance of international peace. Canada has participated in major wars and in peacekeeping and other multinational operations, not without sacrifice, to end aggression, to restore peace in troubled regions, and to help maintain international stability. Even in times of peace, some elements of our naval, air, and land forces can be found in various parts of the world either training with and developing closer ties with our allies or participating in the enforcement of sanctions or in peacekeeping operations established by the United Nations or other international organizations. When the members of multinational coalitions determine that combat operations are necessary to stop aggression and restore peace, Canadian military units are on the frontline, as in Kosovo in 1999 and currently in Afghanistan. Canada's involvement in multinational operations in recent years is both proof of the ability of our military forces to make a contribution to international peace efforts and one of the factors that has weakened their operational readiness, especially in the Army's case.

A Corporal with Recconaissance (Recce) Platoon, the Second Battalion, The Royal Canadian Regiment, based out of Camp Gagetown, meets a young resident of Dek'emhare during a familiarization patrol in the Eritrean town January 3, 2001.

Indeed, the last decade has been one of the busiest periods in the history of the Canadian Forces. They have gained considerable operational experience during this time, but their readiness for combat has suffered somewhat in the process given the strain of so many peacekeeping and other operations. Since much of the burden has fallen on the Army during the last decade, because of the large number of ground troops deployed to various trouble spots around the world, it is the Army's readiness that raises the most concerns. Indeed, the Army's burden will not be relieved significantly any time soon given Canada's long-term commitment to some peacekeeping operations, notably those in Bosnia-Herzegovina, where considerable time and effort are required to prevent the resumption of fighting between ethnic communities. Furthermore, it would be imprudent to predict that the demand for peacekeeping, if not combat deployments, will decline significantly enough during the next decade to give the Army a needed respite. Recent events have again demonstrated that we can be caught by surprise.

Thus, the Army will no doubt continue to be preoccupied with the training of new contingents or rotations of troops cobbled together from units in Canada to replace the contingent operating overseas every six months. As Major-General (Retired) Lewis MacKenzie described it, "…the army turns itself inside out to produce a couple of thousand folks to rotate in there. And while they're doing that, because we're so small, they can't train for the combat roles that are dictated by the white paper."[47] In short, in addition to the sacrifice made by some Canadian peacekeepers who gave their lives for the cause of peace, there have been costs, in terms of readiness, attached to Canada's participation in peacekeeping operations. Soldiers training for the particular circumstances involved in peacekeeping such as monitoring cease-fires and negotiating with combatants have less time to train for combat operations. It has often been said in the past that Canadian troops carry out their peacekeeping duties effectively because they are well trained for combat and thus have the discipline and the leadership skills required to deal with all sorts of complex situations. If combat skills are allowed to decline too much, the readiness of the troops for peacekeeping will also come into question.

This does not mean that peacekeeping is a bad thing and that it is the cause of all the Army's readiness problems. On the contrary, the experience gained in peacekeeping operations helps ground forces test their command, communications, and logistics capabilities in an operational environment and learn lessons that will be useful in combat as well as other situations. Besides, the outstanding performance of the 3rd Battalion of the Princess Patricia's Light Canadian Infantry in Afghanistan demonstrates that units in the Army have maintained a level of readiness necessary to operate in combat operations together with U.S. units. The fact remains that combat training has suffered because of all the preparations for the overseas missions. The cobbling together of contingents for the next rotation with personnel from various units has undermined the cohesiveness of various elements of the Army while pushing personnel to exhaustion.

Lieutenant-General Mike Jeffery, Chief of the Land Staff, is fully aware that the tempo of operation and budget cuts during the last decade have had a significant impact on the Army's training. The Committee welcomes his determination to change the training regime to ensure that, as he described it, "…all operational units within the army in a regular cycle go through the proper full type of training, combat-type training…."[48] Indeed, well-trained troops can respond quickly and effectively no matter the kind of operational situations they may find themselves in and should therefore be in a better position to avoid taking many casualties. We therefore recommend that:

RECOMMENDATION 8

The Army proceed as quickly as possible with changes in its training regime to ensure that all its units undergo, on a regular basis, the full extent of combat training required to improve and maintain its state of

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47 Major-General (Retired) Lewis MacKenzie, *Proceedings*, May 8, 2001.

48 Lieutenant-General M.K. Jeffery, *Proceedings*, March 19, 2002.

readiness at a high level, including training at the battalion and brigade levels.

While the tempo of operations has certainly had an impact, the cuts made in the Army's budget during the late 1990s, as a result of reductions in overall departmental spending, have also given a body blow to the Army's readiness. Lieutenant-General Mike Jeffery, Chief of the Land Staff, stated bluntly before our Committee and in other venues that the Army has been living beyond its means in recent years. While scrambling to meet its commitments, the Army has seen its operating budget decline or in other years stagnate at a level below what is needed for comprehensive training and equipment acquisitions. Many witnesses deplored the fact that there have not been training exercises at the full brigade level for many years. Some also pointed out that for every new Coyote or LAV III vehicle introduced into the Army's inventory, there are many old vehicles like the Iltis jeeps which are long overdue for replacement. Limited budgets have no doubt complicated the Army's efforts to keep training at the required level and to ensure the timely replacement of old equipment. Besides, the Committee is far from certain that recently announced increases in defence spending will provide the Army with all the funding it needs to resolve its training and equipment problems. We therefore recommend that:

RECOMMENDATION 9

The budget for the Land Forces be increased in the next fiscal years to provide sufficient funding to improve its level of readiness, especially with regards to combat training and the replacement of obsolete equipment.

B. Transformation of the Army

Even with budget increases, the Army faces an uphill battle to raise its combat training and equipment inventory to a more than adequate level. As if the Army does not have enough problems, it must also transform itself into the type of ground forces that can deal effectively with the challenges of the 21st century battlefield. This means that the Army must shape its units and command structure so that they can operate effectively and survive on the modern battlefield. While not losing sight of the kind of training required to deal with all types of terrain and conditions, like those seen in Afghanistan, it must take advantage as much as possible of the technological capabilities being developed as part of the Revolution in Military Affairs.

Much has also been said about the need for armies to concentrate more on forces that can be easily and rapidly deployed to any trouble spots around the world. The emphasis is no longer on ground forces more suited for the massive tank battles and troop movements that Cold War military planners had expected on Europe's central front if hostilities had broken out between NATO and the Warsaw Pact countries. Advances in technology make it possible to use combat vehicles that are lighter and more easily air transportable than main battle tanks and other heavy vehicles and provide adequate levels

of firepower to support the infantry. The U.S. and other NATO countries are currently developing new combat vehicles that will have basically the same capabilities as their heavy tanks, but that will weigh much less and feature new materials.

However, the death of the main battle tanks as we know them today has been announced many times in the past and they still remain an important part of modern armies. There are a number of situations, even in some peacekeeping missions, where they can be used, but some witnesses were not certain about the value of retaining and modernizing Canada's old Leopard tanks, especially given the Army's limited budget. Lieutenant-General Jeffery stated that the Army knows that it needs the capability, but it is not certain if the tank is the best way to provide it. He stated that a replacement armoured fighting vehicle would be more like the LAV III wheeled vehicle with as much if not more firepower than the current tanks.[49]

However, the acquisition of such a vehicle could be many years away and if Canada wants to continue to make a valid contribution to multinational efforts to ensure world peace, the Canadian Army will have to keep pace with most if not all of the technological developments changing the way ground forces operate on the battlefield. Just to keep pace with the high technology weapons and communications equipment that promise to significantly increase the capabilities of infantry soldiers may require considerable efforts and funding. Thus, the kind of new fighting vehicle the Army decides to obtain will depend a lot on the future shape of Canada's ground forces and on the resources available to effect the change. Difficult decisions will have to be made on whether or not to retain all of the current capabilities or only concentrate on those that can be effectively sustained.

C. Contributions of Canadian Industries

The Army has already made significant efforts to keep pace with technological developments, the highly praised surveillance capabilities of the Coyote vehicles being one of the best examples. This also demonstrates that Canadian defence industries can meet the Army's technologically advanced requirements and also compete with foreign manufacturers to provide similar capabilities to allied forces. Besides, the ability of Canadian industry to play an important role in high technology developments for military use can also generate benefits for the civilian sector.

Some of the technological developments can be of use to civilian requirements in the security, health, and other domains while the ability of Canadian companies to compete on the international market benefits economic growth. With technology playing a more important role than ever before in providing the military with the capabilities needed, research and development in the defence field must continue to be encouraged and sustained. Over the years, Canada has lost some of its shipbuilding and other defence manufacturing capacity, but it cannot afford to lose much more of its defence industrial

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[49] Lieutenant-General M.K. Jeffery, *Proceedings*, May 17, 2001.

base, especially when computers and other high technology equipment are more and more vital to the effectiveness of Canada's military.

However, in the rush to acquire new technologies, the Army and other parts of the military will have to be very careful in selecting and acquiring equipment. The experience of past acquisition projects, notably with regards to high technology equipment such as satellites, has not always been a happy one. The problems and delays encountered with the new combat uniforms are but one example of the difficulties the Army has had in introducing new equipment.

During this Committee's quality of life study in 1998, there were many promises from those involved in the Clothe the Soldier project designing the new uniforms and numerous complaints by the rank and file about the delays in getting new uniforms. The new combat clothing are finally reaching units, but the desert camouflage version is in the early production stage while the old desert uniforms have already been discarded. The Army will have to be much more careful in managing its stocks of combat uniforms and other pieces of equipment to ensure that there are no gaps in the availability of essential pieces of kit for the troops.

Nevertheless, the problems encountered here and there with the introduction of new equipment should not discourage the military from seeking Canadian developed technology, especially when the latter is as good if not better than what is available on the world market. The purchase by many allied countries of Canadian-manufactured light armoured vehicles or LAVs and the attention the equipment aboard the Coyote vehicles has received overseas are clear demonstrations of what Canadian industry can achieve. Canadian industries will be able to meet Canadian military requirements so long as they are able to carry out the research and development necessary to produce equipment which can serve the purposes of our allies as well as our own. The Department must also pursue its efforts in the area of defence research and development as part of its efforts to improve the Army's readiness for the high technology operations of today and tomorrow. We therefore recommend that:

RECOMMENDATION 10

The Department of National Defence maintain its strong commitment to research and development in the defence field and its cooperation with Canadian industries to ensure the design and production of state-of-the-art military equipment.

D. Special Forces

While the Army transforms itself into a highly mobile and technologically advanced force, it will have to pay attention to changes in doctrine and the experience of the armed forces of other countries. For example, one of the most noted features of combat operations in Afghanistan has been the extensive use of Special Forces that have not only confronted the enemy in its lair, but also identified targets on the ground for allied combat aircraft. The combination of Special Forces on the ground who can designate targets and combat aircraft that have an easier time in locating targets has worked effectively.

The Special Forces operations in Afghanistan hold some important lessons for the Canadian military. Indeed, Canada contributed some members of its Joint Task Force 2 or JTF2 counter-terrorism force to operate with U.S. forces in Afghanistan. JTF2 has an important role to play in the context of counterterrorism efforts here in Canada. In our November 2001 interim report, the Committee recommended an increase in the number of JTF2 personnel to improve the unit's capacity to respond to hostage taking and other terrorist incidents within Canada and to contribute meaningfully to international efforts against terrorism. The Committee therefore welcomes the government's decision to provide additional funding in its 2001 Budget to increase both the capacity and capability of JTF2.

However, it is not clear to what extent JTF2 is becoming a special force like the U.S. Special Forces and whether or not this is a desirable development for the Canadian military that is already hard pressed to obtain all the resources and personnel it needs. While there is clearly a need to maintain JTF2 as a high readiness counterterrorism force, the implications of using JTF2 personnel on overseas operations have to be examined closely, both in terms of its effects on the readiness of JTF2 to deal with terrorist incidents in Canada and this country's ability to make worthwhile contributions to coalition operations overseas. There could also be some consideration of the possibility of recruiting some members of JTF2 from the ranks of civilian police forces. We therefore recommend that:

RECOMMENDATION 11

The Department of National Defence undertake a study on the future of JTF2 to determine its long-term requirements in terms of resources, the implications of overseas deployments of some of its personnel, and the advantages and disadvantages of establishing a Canadian special force unit similar to U.S. and U.K. special force units operating

in Afghanistan. The Department should communicate to this Committee the general conclusions of this study and its decisions, if any, concerning the need for a special force.

E. Restructuring of Army Reserves

The efforts by ground forces and other elements of the military to adjust to the new realities of the combat environment also imply a transformation of their reserve forces. Modern ground forces, even those of powerful states like the U.S., count on reserves to provide a pool of trained troops who are not full-time members of the military, but who can easily integrate with units preparing for deployments because of an apprehended or real crisis at home or abroad. Canada's Reserve Force is an important element of Canada's military capabilities. The Army Reserve is by far the biggest element of the Reserve Force with about 15,326 personnel in November 2001 out of a total of 27,851.[50] Indeed, a number of Reservists have served overseas during peacekeeping operations. As Major-General (Retired) Lewis MacKenzie, among others, has noted many times, Reservists were just as effective and as dedicated as Regular Force personnel during such operations.

However, armies must transform themselves in order to meet the challenges of the 21st Century and their reserve forces must be part of this evolution. Since Canada's Army intends to transform itself into what it calls the "Army of Tomorrow" during this decade in order to become an "Army of the Future" in the next decade, the Army Reserve must also adapt itself to the new operational context.

On October 6, 2000, the Minister of National Defence announced the revitalization and restructuring of the Army Reserve. He indicated that the Land Force Reserve Restructure (LFRR) would be guided by the recommendations of the 1999 report by the Honourable John A. Fraser and the Strategic Plan for LFRR drafted by the Chief of the Land Staff. He also announced measures designed to facilitate the timely and effective implementation of the restructure. These include an increase in Army Reserve strength to about 18,500 by the end of the 2005-2006 fiscal year; further consideration of national mobilization planning; the appointment of the Hon. John A. Fraser and Major-General (Retired) Reginald Lewis to monitor the process; and, the appointment of a LFRR project manager.

On the same occasion, Lieutenant-General Jeffery stated the three fundamental tenets of his strategic plan. The first is the improvement of the operational capability of the Army Reserve in step with the changes being made within the Army as a whole. The second tenet is what he described as respect for the institution, in other words the "acknowledgement of the values and acceptance of the purpose of the Army reserve within

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[50] Canada, National Defence, Minister of National Defence's Monitoring Committee, *Report on Land Force Reserve Restructure (LFRR)*, February 2002. (The Naval Reserve had 3,730 personnel, the Air Force Reserve 2,172, the Communications Reserve 2,010, and the Rangers 3,483.)

a unified army." The third tenet was described as stewardship where all stakeholders (i.e., Regulars, Reservists, and others) are consulted. Lieutenant-General Jeffery reassured the Reserve community that they will continue to have a voice and a key role in the restructuring process.

Lieutenant-General Jeffery also explained that the restructure would be done in two phases. Phase 1, between 2000 and 2003, is supposed to restore the "health and trust" of the Army Reserve by, among other things, improving recruitment and raising its strength to 15,500 by 2002. Meanwhile, during Phase 1 of the LFRR, the blueprint for the "Army of Tomorrow" is supposed to be developed before it transforms itself into the "Army of the Future" after 2011. Thus, in Phase 2 of the LFRR, slated to begin in 2003-2004, the alignment of the Army Reserve with the "new" Army is supposed to take place.

However, concerns have been expressed about the Department's commitment to Phase 2 since funding for it is uncertain. The February 2002 Report on Land Force Reserve Restructure of the Minister of National Defence's Monitoring Committee (chaired by John A. Fraser) states on page 2 that while resources were allocated to Phase 1, the policy statement of October 6, 2000 "does not offer unqualified commitment to carrying through with expansion of the Army Reserves in Phase 2." Meanwhile, Lieutenant-General Jeffery stated at a recent Conference of Defence Associations meeting that the Army is short of resources while carrying out its many commitments. When he appeared before the Committee to discuss the restructuring, he stated clearly that he "cannot take any more money out of the regular force to put into the reserves. I'm already walking a tightrope."[51] In the absence of a clear financial commitment by the Department to Phase 2 of the restructuring, the whole future of the process becomes uncertain.

This uncertainty causes us great concern not only because it risks delaying the restructuring process, but also because the Land Reserve is in great need of revitalization and restructuring and should not be left in limbo again. When the restructuring was announced in October 2000, considerable emphasis was put on rebuilding trust between the Reserves and the Regular Force. As part of that commitment, a lot of importance was attached to providing information to the interested parties on the progress being made during the restructuring process. Given the often tense relationship between the Reserves and the Regular Force noted in the past, such measures are to be commended. However, the job of building trust between the two camps is by no means over and the last thing everyone needs at this point is a long delay in undertaking Phase 2.

Reservists have been promised more attention and more equipment many times before only to see the anticipated resources disappear into thin air or end up elsewhere. If the situation occurs again with the restructuring announced only two years ago, the sceptics will once more be proven right and both the Army Reserve and the Army will suffer. Some witnesses and, indeed, some members of the Committee have expressed concerns about the state of some Army Reserve units across the country. They are by no

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[51] Lieutenant-General M.K. Jeffery, *Proceedings*, March 19, 2002.

means reassured that when an emergency occurs, whether in Canada or overseas, these units will provide all the personnel which are expected to be available. In short, the revitalization of the Reserves must go ahead as quickly as possible otherwise the situation within the Army Reserve will continue to deteriorate. We therefore recommend that:

RECOMMENDATION 12

The Department of National Defence make a commitment as quickly as possible to fund Phase 2 of the Land Force Reserve Restructure project so that the revitalization and restructuring of the Army Reserve can proceed as currently planned.

While the restructuring of the Army Reserve is crucial, the Naval Reserve and the Air Reserve should not be neglected even though they are small in numbers compared to the Army Reserve. The Naval Reserve plays an important role within the Navy, both on foreign deployments and especially in the protection of Canada's coastal waters since most of the crewmembers aboard the Maritime Coastal Defence Vessels are Reservists. By the same token, members of the Air Reserve fill key positions within the Air Force. Some pilots are Reservists, but some of the support units vital for Air Force deployments at home and abroad also depend heavily on members of the Air Reserve. Members of the Communications Reserve also make an important contribution to the readiness of the Forces. Another important element of the Reserve Force, especially for operations in Canada's North, is the Rangers. The Committee trusts that along with the Army Reserve, the other elements of the Reserve Force will be revitalized so that the Forces can maintain a high level of readiness.

One measure that can help ensure that the Reserves can make an effective contribution to readiness is job protection for Reservists called up for duty during major emergencies such as an international conflict. Although such call-ups seldom occur and hopefully will remain so, job protection in such circumstances would encourage Reservists to respond to such call-ups without worrying about the effects of their absence on their employment. It would help reassure commanders and military planners that a large number of Reservists would report for duty in emergency situations, thereby ensuring a high level of readiness among the units called to action. Job protection for Reservists in major emergency situations was one of the proposed amendments to the *National Defence Act* included in Bill C-42 introduced in the wake of the events of September 11th and in the revised bill, Bill C-55, tabled in April 2002. The Committee strongly supports job protection for Reservists in major emergencies and continued efforts by the Department and notably the Canadian Forces Liaison Council to encourage employers to give time off to Reservists for military exercises and training courses. We therefore recommend that:

RECOMMENDATION 13

The *National Defence Act* be amended as quickly as possible to provide job protection to Reservists called-up for duty during major

emergencies such as conflicts and that efforts be maintained, notably by the Canadian Forces Liaison Council, to encourage employers to give Reservists time off for military exercises with job protection.

F. Canada's Commitment to Multinational Action

The revitalization of the Army Reserves, the transformation of the Army as a whole, and the modernization of equipment are key elements in ensuring the readiness of Canada's ground forces. Some might argue that the Army would not have fallen behind in terms of combat training if Canada had participated in fewer peacekeeping operations in recent years while others might claim that it would not be necessary to keep pace with all the technological developments on the battlefield if the Army concentrated only on peacekeeping operations. However, the line between combat and peacekeeping operations has become so blurred that it would be imprudent to deploy peacekeepers who could not defend themselves if and when a cease-fire breaks down. It would also be inefficient to maintain highly trained combat troops who could not also carry out peacekeeping operations when such missions are vital to efforts to prevent international instability.

Soldiers of the 3rd Battalion, Princess Patrica's Canadian Light Infantry (3 PPCLI) Battle Group hike through the mountains east of Gardez, Afghanistan.

Besides, Canadians want their country to make a worthwhile contribution to multinational efforts to restore peace in troubled regions, whether combat missions or peacekeeping operations are involved. Professor Denis Stairs of Dalhousie University, while noting that he is a foreign policy expert rather than a military specialist, agreed that it is the Army that "most needs our immediate attention." However, he explained that the Army is carrying the bulk of the burden because of "…the constant expectation of the political leadership, and indeed of the public at large, that Canada will be there to be counted every time we're called upon to fly our flag, whether the call comes from the United Nations, the United States or NATO, and no matter where the flying of the flag is expected to occur."[52]

This constant expectation can push the military to exhaustion if it is not managed carefully. However, this country has responded so many times in the past that Canadians and allied countries expect the Canadian Forces to make a contribution to multinational action whenever called upon. This is a natural outcome of this country's recognition that

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52 Professor Denis Stairs, *Proceedings*, November 19, 2001.

international stability cannot be allowed to deteriorate to levels that will undermine the rights, freedoms, and economic well-being of the citizens of this and other countries.

Canada's commitment to international stability is demonstrated by its strong support for the Multinational Standby High-Readiness Brigade (SHIRBRIG) that can be used in UN operations. SHIRBRIG was established in the wake of the problems encountered by the UN mission in Rwanda that was unable to prevent the outbreak of mass murders in 1995. A number of countries including Canada, Finland, Poland, and Sweden have made the commitment to provide personnel in order to create on short notice a brigade of between four and five thousand peacekeeping troops. Canada has committed a battle group and seven augmentation staff officers to SHIRBRIG.

When the recent conflict between Ethiopia and Eritrea finally came to an end thanks to a cease-fire agreement, Canada was able to participate in the UN peacekeeping operation that helped to restore peace in the region. The Canadian brigade committed to SHIRBRIG was ready to deploy personnel for the peacekeeping operation. In situations where two countries have finally reached a cease-fire agreement after a bitter conflict, peacekeepers often have to be deployed quickly to prevent the conflict from re-igniting. Thus, SHIRBRIG plays an important role in ensuring the international community's ability to quickly respond when a conflict ends or tensions threaten to engulf a region.

G. The Need for Sealift Capability

However, whether the deployment of Canadian troops is within the context of SHIRBRIG, a NATO commitment, or multinational action against international terrorism, it is necessary to transport Canadian troops and their equipment to the zone of operation. During the Cold War when Canada had large numbers of troops in Europe, some of the personnel and equipment could be deployed to another zone of operation. Today, except for the personnel already committed to peacekeeping and combat operations around the world, almost all of Canada's military personnel and equipment is here in Canada and must be quickly transported wherever they are needed in the world. Shipping troops, equipment, and supplies is a difficult task at the best of times. For Canada, given its limited resources, and the long distances involved, there is added expense and complexity.

For example, Canada's Navy has only two remaining replenishment ships that in a pinch could carry a few troops and small quantities of their supplies. However, these ships are desperately needed by the Navy itself to transport the fuel and supplies the frigates and destroyers need during long deployments throughout the world's oceans. Besides, the two support ships are fast approaching the end of their service life and will have to be replaced sometime in the near future. If they are not replaced, the Navy's ability to undertake long overseas deployments will be significantly limited. Canadian frigates and destroyers can refuel at sea with the help of support ships of allied navies, especially during coalition operations. However, Canada cannot always count on foreign support ships to be in the best location at the most appropriate time to refuel our frigates and destroyers. Besides, as explained by Rear-Admiral Ron Buck, Chief of the Naval Staff, one navy makes its support

ships available to refuel the warships of an allied navy in the knowledge that the cooperation will be repaid in kind at another time when its ships will need to refuel at sea.

Indeed, there is an opportunity to combine two capabilities. When Canada undertook its first major peacekeeping operation, Suez in 1956, the Army was able to rely on the Navy's aircraft carrier, HMCS *Magnificent*, to transport its vehicles to the zone of operation, but none of today's warships can carry out such a role. Thus, the only alternative is to rent cargo ships or space on them to transport vehicles and supplies. Canada's experience with the leasing of cargo ships has not always been a happy one, as demonstrated in 2000 when Canadian military personnel had to board the GTS *Katie* because a contractual dispute delayed its arrival in port to offload vehicles and weapons returning from overseas. If the contractual dispute had occurred with a cargo ship carrying Canadian vehicles and equipment to an overseas operation instead of during the return to Canada, one can only imagine how the delays and uncertainties of such a situation could have jeopardized the success of the mission and caused embarrassment to Canada's reputation. Thus, there are arguments in favour of providing Canada's Navy with new support ships with a roll-on roll-off capability to transport combat vehicles, trucks, and other equipment required by ground forces deploying to an overseas peacekeeping or combat operation.

With a few of its own military transport ships, Canada would not be completely at the mercy of the vagaries of the maritime transport industry. Space on civilian cargo ships would of course still be used, but at least key parts of the ground units like their weapons systems would be safe and secure onboard Canadian naval ships. At a time when there is greater awareness of the terrorist threat, the possibility that weapons carried onboard civilian ships might fall into unauthorized hands must be taken into consideration. Since these new ships would also be capable of refuelling and re-supplying Canadian warships during their deployments, whether off Canada's coasts or overseas, they would be used extensively even if the deployment of ground forces were few and far between.

Since ships need periodic and extensive maintenance and must undergo refits every few years or so, at least three new replenishment ships would have to be acquired to provide the fleet with the required flexibility. With its two current replenishment ships, there are long periods of time when there is no refuelling capability on one of Canada's coasts because one of the ships is undergoing a refit. The refit of HMCS *Protecteur* based on the West coast took place while HMCS *Preserver* operated for many months in the Arabian Gulf. In other words, with only two replenishment ships currently in the fleet, the ability to sustain a naval task group far from Canada's shore is therefore quite limited. The Committee therefore recommends that:

RECOMMENDATION 14

The government approve the funding for the acquisition, over the span of a decade, of at least three replenishment ships with roll-on roll-off capabilities to provide a strategic sealift capability for overseas

deployments and to replace the two replenishment ships currently in service.

As noted in Part C, Canadian industries have made and continue to make an important contribution to the state of readiness of the Canadian Forces by producing equipment equal and often superior to what is available on the world market. Indeed, the Halifax class frigates are state-of-the-art warships capable of operating with U.S. Navy aircraft carriers and other technologically advanced ships. Every effort must be made to retain Canada's shipbuilding capabilities in order to ensure a strong industrial base which can continue to supply the Canadian Forces with much of the equipment they need. We therefore recommend that:

RECOMMENDATION 15

New replenishment and other ships acquired for Canada's Navy be constructed in Canadian shipyards in keeping with efforts to maintain this country's shipbuilding capability and defence industrial base in general.

H. Strategic and Tactical Airlift

However, there are circumstances where time is of the essence and while some equipment and supplies can be shipped by sea, troops and much of their equipment often have to be dispatched by air transport so that they can undertake peacekeeping or combat operations as quickly as possible. Canada now has a limited strategic and tactical airlift capability with a fleet of 32 C-130 Hercules, 19 of which were acquired in the mid-1960s, and five Airbus 310s (called C-150 Polaris by the Canadian Forces). The Airbus 310s provide a major part of the strategic airlift capability by transporting troops and some equipment, but not vehicles. The Hercules also contribute to this capability, although as the Chief of the Air Staff pointed out, they do not have sufficient range to make them efficient strategic transports.[53]

Besides, out of the current fleet of 32 C-130s, some are used for search and rescue operations within Canada while others must undergo routine or unscheduled maintenance, so only part of the Hercules fleet is actually available for airlift duties at any given time. The Hercules and the five C-150s can transport a good portion of the personnel and supplies required for overseas operations, but if some of the aircraft available for transport duties become temporarily unserviceable, this results in embarrassing delays, as occurred during the East Timor operation.

Thus, the age of the existing fleet of Hercules creates uncertainties about Canada's ability to efficiently deploy troops to trouble spots. In addition, their limited ability to transport

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[53] Lieutenant-General Lloyd Campbell, *Proceedings*, April 9, 2002.

combat vehicles, trucks, and other pieces of equipment, because they are too large or too heavy, causes more delays. A Hercules can carry a Coyote reconnaissance vehicle, but the turret must be dismantled so that the vehicle can fit into the aircraft. The time required to dismantle and reinstall equipment can hamper the speed and efficiency of a deployment while adding another burden for personnel. However, the fact remains that the Coyote is still air transportable. Furthermore, despite the constraints of the dimensions of its cargo hold, the Hercules is still a valuable transport asset, as demonstrated by its presence in the aircraft inventory of most air forces around the world.

However, to speed up deployments or to transport equipment too big or heavy for the Hercules and C-150s, Canada has often requested the help of U.S. Air Force heavy transport aircraft such as the C-17 Globemaster III, C-5 Galaxy or C-141 Starlifter. On other occasions, Canada has chartered large Russian-built Antonov transport aircraft from Russian, Ukrainian, or other companies. Chartered heavy transport aircraft are not always available when needed, especially because many other NATO allies also want to charter them when a crisis occurs. Meanwhile, the U.S. transport fleet is sometimes hard-pressed to meet the demands generated by the overseas deployments of U.S. forces and some of the older aircraft have their own readiness problems. In other words, Canada can usually count on some space on U.S. transport aircraft to assist its deployments or for special needs, as occurred during the Ice Storm when U.S. transport aircraft were requested to fly heavy equipment to locations within this country. However, Canada must wait its turn while U.S. requirements are being met and cannot be certain of having access to the U.S. aircraft at the most opportune time.

The risks and disadvantages of counting on chartered or allied aircraft to provide heavy airlift capabilities have prompted proposals that Canada should acquire some heavy airlift aircraft of its own. Indeed, Recommendation 10 of the Committee's interim report of November 2001 recommended that Canada should "acquire additional heavy transport aircraft and replace older models to ensure the strategic and tactical airlift capability required" for rapid and efficient deployments. With a few heavy lift aircraft, Canada would be less dependent on its allies or on chartered aircraft, something that, among other things, can help it assert its sovereignty. For example, on some peacekeeping missions where U.S. forces are not involved or welcomed, Canada could rely on its own heavy lift aircraft to deploy its troops and their equipment. There might also be situations where it would be necessary to quickly evacuate Canadian peacekeepers from a theatre of operations because of the collapse of a cease-fire agreement and an escalation in violence which threatened to overwhelm the peacekeeping force. With its own heavy lift aircraft, Canada could quickly extricate its military personnel from a very dangerous situation.

The Department, as explained by Colonel Pat Dowsett, the Program Manager — Future Strategic Airlift and Strategic Air-to-Air Refuelling, has been studying a number of options to improve Canada's strategic air transport capability. Among other things, Canada might have to decide between buying aircraft or leasing them for a number of years, possibly with a lease to buy agreement. However, as Colonel Dowsett pointed out, both the short-term and long-term implications of a purchase or lease agreement must be taken into account. He also raised the possibility of buying or leasing aircraft and then

leasing them to a third party for a short period of time, when not required for Canadian operations, to generate revenues to pay for the acquisition and operating costs.

Such measures might be necessary because otherwise the costs of acquiring heavy airlift aircraft could necessitate cuts in resources in other parts of the air force or possibly cause delays in the replacement of some equipment such as the oldest aircraft in the Hercules fleet. Indeed, the advantages of buying heavy lift transports could be lost to a large extent if the level of readiness of the fleet of C-150s and Hercules is not improved. In other words, the acquisition of heavy lift transports is not just a question of choosing one of the very capable large transport aircraft which are now on the market or soon will be, but also involves determining what will be the impact on Canada's existing air transport capability.

Thus, the Committee believes that the Air Force is wise to continue its examination of the needs and capabilities of its whole fleet of transport aircraft and to look at all the options available. For example, one issue is the possible retention or replacement of the Buffalo aircraft scheduled to be withdrawn from service when the new Cormorant search and rescue helicopters become operational. If the Buffalo is not replaced, additional Hercules aircraft might have to be assigned to search and rescue duties on Canada's West Coast, possibly causing more strain on Canada's fleet of transport aircraft. Besides, the heavy lift aircraft are too big to be used efficiently on search and rescue operations, so a modern version of the Hercules or similar new aircraft will still be needed whatever the decision concerning strategic airlift.

In short, our existing strategic and tactical airlift capability is under strain and if Canada wants to continue to be able to deploy overseas as quickly as possible most if not all of the personnel, equipment, and supplies required, decisions will soon have to be taken on enhancing this capability. The acquisition of heavy lift transport aircraft can definitely enhance the capacity of the Canadian Forces to meet the expectations of Canadians and allied countries to go to any trouble spot in the world and contribute to multinational efforts to restore stability. Whether or not heavy lift aircraft are acquired, it will be necessary to replace at least a portion of the current transport aircraft fleet in a few years. Therefore we again recommend that:

RECOMMENDATION 16

Canada acquire additional heavy lift transport aircraft and replace older models to ensure the strategic and tactical airlift capacity required to rapidly and effectively deploy the personnel and equipment required for overseas operations.

I. Logistics

Getting the troops and their equipment to a world trouble spot is one thing, but sustaining the operation over a period of weeks if not months is another. Indeed, Napoleon

is once reported to have said that “amateurs talk about strategy, professionals talk about logistics.” The importance of logistics to any military organization cannot be overstated. Once the troops and equipment have been delivered to an overseas destination, whether by air or by sea, there is still a need to establish a stable supply chain between Canada and the zone of operation. At the present time, Canada’s fleet of transport aircraft is the main link between the troops on the ground and their sources of supply in Canada. Once the troops and equipment are in place, the aircraft have to continue flying back and forth to bring all of the supplies needed and to replenish stocks. In the absence of a strategic sealift capability, space on cargo ships can be obtained to ship some supplies.

Indeed, ground forces need vast quantities of supplies to carry out their operations. They must have ammunition for their weapons, communications equipment, spare parts for vehicles, food, and many other items. Some material can be provided by coalition partners, but Canadians bristle at the thought of Canadian soldiers depending on allies for essential supplies, if only while waiting for supplies from Canadian sources to be delivered. Delays in the shipping of supplies and equipment to the troops in Afghanistan raised concerns among Canadians, including family members of the soldiers. Because of the quantities of supplies required and the heavy demands placed on Canadian and allied transport resources, all the supplies cannot arrive simultaneously with the troops in a theatre of operation. Nevertheless, efforts have to be made to ensure that Canadian troops get most of their supplies as quickly as possible.

The Forces have a limited airlift and, through the chartering of cargo ships, sealift capacity to deliver supplies to deployed units, the availability of supplies here in Canada and the privatization of many elements of the supply chain and support services raises questions. The Office of the Auditor General in various reports over the years and other observers have expressed doubts about the ability of the Forces to sustain, in logistical terms, deployed units over long periods of the time. The problems encountered during the late 1990s just with the supply of various elements of combat uniforms are but some of the situations which have raised doubts in the past about sustainability. Shortages of spare parts for equipment or delays in getting them to theatres of operations can have serious effects on readiness, not to mention morale.

Some vehicles and aircraft sometimes cannot be used operationally pending the arrival of replacements for small but key parts. When the parts from other vehicles or aircraft are cannibalized to keep other pieces of equipment in operation, the problem is simply compounded instead of resolved. Recent studies by the U.S. military have highlighted the negative effects of cannibalization of equipment on the morale of personnel as well as on readiness. In order to avoid cannibalization and prolonged periods where equipment is unserviceable because of the lack of spare parts, adequate supplies must be maintained.

There are advantages in using to some extent the “just in time” methods so that supplies are provided to units when they are required. However, because of the nature of combat operations and the need for quick delivery when supplies are needed, large stocks

of ammunition and other materiel must be maintained and prepared for quick delivery. Soldiers in combat operations running short of ammunition cannot afford to wait for contracts to be awarded back home for the production of new stocks. Indeed, stocks of vital materiel must not be reduced in the name of frugality. It is "penny wise and pound foolish" if our troops do not have enough ammunition to carry out effective training and combat operations.

We are interested in and hope to further study the administration of the Canadian military's supply chain and the ability to deliver supplies and spare parts as quickly as possible to deployed units. The privatization of various elements of the supply system and various support services and its benefits remain to be determined. Privatizing support services such as food catering to the troops in operational theatres like the one in Bosnia to date has shown promise. There is always a concern with privatized support services that if and when the situation in an operational area deteriorates and combat operations must be undertaken, civilian employees leave and vital services might be left in limbo. Ensuring contingency plans are clearly in place is imperative. The resources required to ensure security and stability in supply chain functions in both hot and mature deployments will be critical.

In short, logistics are a critical but often overlooked element contributing to the capacity of ground forces to carry out peacekeeping and other types of operations. Ground forces need vast quantities of supplies as well as a vast array of weapons and communication equipment. However, maintaining an effective Army is only one part of the equation. Indeed, naval and air forces, with all their complex equipment and logistics requirements, must also be kept at a high level of readiness. In some situations, the ground forces need the support of naval and air forces to carry out their operations successfully while in others, Canada can only contribute naval or air forces to multinational efforts to restore peace in a region. For example, Canada's maritime forces have made a major contribution to multinational efforts to enforce United Nations sanctions against Iraq and have also played an important support role during NATO's Kosovo campaign in 1999. Current operations in the Arabian Sea as part of the war against international terrorism are another illustration of the contribution maritime forces can make.

J. Maritime Forces

Canada's maritime forces have been able to make effective contributions to multinational efforts to maintain peace not only because of the dedication and professionalism of the crews of ships and surveillance aircraft, but also because of the quality of most of the equipment used. As a number of witnesses mentioned, the Navy is in relatively better shape than the Army and Air Force, in terms of equipment, because it is now enjoying the fruits of all the efforts made in the 1980s and 1990s to provide the fleet with modern ships. The 12 new frigates that came into service during the 1990s have state of the art weapons and communications technology and their interoperability with U.S. Navy aircraft carrier task groups has been demonstrated many times. The four older Tribal class destroyers, thanks to the Tribal Class Update and Modernization Project (TRUMP),

can also operate effectively in NATO or other multinational operations. As was demonstrated shortly after September 11th, Canada's Navy can deploy ships to any region of the world on short notice without scrambling to add weapons as happened in 1990 prior to sending ships to participate in the Persian Gulf War. However, in terms of the readiness of Canada's maritime forces, there are still many areas of concern.

The HMCS *Ottawa* departed February 17, 2002 to join the already deployed Canadian ships in the Arabian Sea, as part of Operation APOLLO.

First of all, long deployments at sea take a toll on the personnel aboard the ships so it is important for the Navy to constantly monitor quality of life issues and try to ensure the best conditions for crewmembers. As discussed in the chapter on personnel, quality of life issues influence the rate of retention and recruitment. While the Navy appears to have met many of its goals during the current recruitment drive, the recruitment situation has to be watched carefully. Canada's fleet of warships is very small so when a ship like the destroyer HMCS *Huron* has a skeleton crew and stays in the harbour all the time so that other ships on the Pacific coast can have all the personnel they need, there is inevitably cause for concern. Given the time required to train new recruits and the burden of long deployments at sea on personnel and their families, the Navy has to pay special attention to quality of life issues and increase its recruitment efforts.

As for equipment, even though the frigates are still relatively new, like all warships, they will inevitably need refits in the near future and their weapons and communications equipment will have to be upgraded to keep pace with developments. Our pride in having ships that can operate with the most technologically advanced navy in the world, the U.S. Navy, could evaporate in the coming years if the inevitable upgrading of the frigates is delayed because of the Department's limited capital budget. Canada's warships must be able to defend themselves despite any new developments in the high technology environment of modern naval warfare. At the same time, their maintenance must not be neglected in the name of short-term cost cutting because otherwise they will not be available when really needed because of mechanical breakdowns.

As Rear-Admiral (Retired) Moore of the Canadian Naval Officers Association of Canada pointed out, we cannot afford to let the frigates and other warships deteriorate to a level of obsolescence that bedevilled our Navy during the 1970s and 1980s. At that time, our ships were often more of a burden than an asset for NATO or other multinational fleets. To avoid a repeat of this situation and to maintain our ability to contribute meaningfully to multinational efforts, Canada will have to make a commitment at the most opportune time to the upgrading of its frigates.

The upgrading if not the replacement of the four Tribal class destroyers will also be of growing concern in the next few years. With the Trump modernization, these destroyers gained air defence, command and control capabilities which increase the effectiveness of operations by a task group of ships. The time is fast approaching where a decision will have to be taken on whether to again upgrade the equipment aboard these ships or to replace them with new ships, which given the age of the Tribal class destroyers, might be the most cost-effective solution. With only 12 frigates and 4 destroyers available to make valid contributions to multinational efforts to maintain peace as well as to patrol Canadian waters, Canada cannot afford to simply let the capabilities of the four Tribal class destroyers deteriorate and then not replace them. We therefore recommend that:

RECOMMENDATION 17

The project for the replacement of the four Tribal class destroyers with new warships with superior command and control as well as air defence capabilities should proceed.

We further recommend that:

RECOMMENDATION 18

The mid-life upgrading and refit of the 12 frigates be given a high priority so that Canada's naval capabilities are not allowed to slide into obsolescence as happened so many times in the past.

The Navy's capabilities will also be enhanced, in due course, by its fleet of four Victoria class submarines recently acquired from the United Kingdom. The subs will eventually give the Navy much improved below the surface capabilities compared to the Oberon class boats they replace and will therefore help it fulfil its commitments to the defence of Canada and multinational operations. The word "eventually" is used in this context because of the delays encountered in preparing the subs for their journey across the Atlantic after years of inaction, which has in turn delayed the modification of the boats for Canadian operations and the training of the crews. We recognize that complex machinery often takes time to be brought up again to operational standards and reaffirm that the safety of the crews transferring the boats from the U.K. to their new home and undertaking training must be the main criteria while making the subs operational. Nevertheless, we trust that the Navy will clear up the technical difficulties as soon as possible so that the subs will be able to contribute significantly to Canada's maritime capabilities, as was the intention of the deal to acquire the boats from the U.K.

K. Maritime Aircraft

While our fleet of surface vessels is generally in good shape and the sub-surface capability will hopefully be a reality in the not too distant future, the state of our maritime

aircraft, especially the Sea King helicopters, continues to be a source of great concern. The Sea Kings have been operating from the decks of frigates, destroyers and other ships since the 1960s and like all aircraft, despite outstanding service, there comes a time when replacement is absolutely necessary.

For one thing, the Sea Kings were originally designed mainly for anti-submarine warfare, but in the post-Cold War world, the electronic equipment aboard modern maritime helicopters are more focussed on surface surveillance and littoral operations than on sub-surface surveillance. With state of the art equipment, maritime helicopters significantly increase the surveillance capabilities of surface ships. However, the replacement of the Sea Kings is also necessary because the airframes are tired and because the number of hours of maintenance work continues to increase for each hour of flight. The Air Force, which operates the Sea Kings, has put a lot of effort to ensure that the helicopters can operate safely during the years it will take to select and acquire the new helicopters. New engines and gearboxes have been installed with the result that not everything in the Sea King is forty years old.

Nevertheless, given that the personnel operating the Sea Kings is younger than the aircraft and that the costs of maintaining old aircraft reach a point where the purchase of new ones makes much more sense, the replacement of these helicopters must not be delayed any further. Regardless of the many assurances given, there is still considerable concern about the safety of operating such old aircraft. Besides, it is incongruous to have frigates as capable if not more so than similar ships in foreign navies operating with forty-year-old helicopters which are not always serviceable. It is true that the Sea Kings have been able to make an effective contribution to operations in the Arabian Sea and elsewhere, but this is due largely to the dedication and hard work of the personnel who fly the aircraft and those who maintain them. With the recent retirement of the T-33s and most of the Tutor jet trainers, the Sea Kings, together with some of the earlier models of the Hercules, are now definitely the oldest aircraft in the Canadian Force's inventory.

While the government has finally decided to proceed with the acquisition of new maritime helicopters, the Committee is greatly concerned that the process of selecting and acquiring the new helicopters is taking too much time. The Committee does not have the expertise to determine whether or not the specifications for the new helicopters provide for enough range, adequate hot weather performance, and other capabilities deemed necessary for effective operations. Based on the experience it gained through the operation of maritime helicopters over many decades, we trust that the military has carefully designed the performance requirements of the airframes and equipment to match Canadian operations. However, there is less confidence in the contract process adopted to acquire the new maritime helicopters.

Some witnesses questioned the need to divide the new maritime helicopter project into two contracts, one for the airframe and one for the electronic equipment. There will also be one contract for support for the airframe and one for the support of the electronic equipment. Splitting the contract into two parts may complicate the integration of the

electronic equipment with the new airframes. While some within the Department argued that such an approach would ensure that Canada would get the best helicopter and equipment at the best possible price, our main preoccupation is the possibility that the acquisition process, because of its complexity, will cause more delays. The time required by the Clothe the Soldier project to design new uniforms and to finally deliver them to the troops does not inspire confidence that the Department's procurement process will deliver the new maritime helicopters without delay.

Even if everything goes according to plan, it will take time to introduce the new helicopters into the Air Force's inventory and complete the training of the pilots and the maintenance technicians. The new search and rescue helicopters, the Cormorants, have only recently begun to arrive from the factory and it will still take some time before they completely replace the old Labradors. Besides, the new search and rescue helicopters have relatively little in terms of electronic equipment compared to the complex mission suites that will provide most of the capabilities of the new maritime helicopters. Thus, it cannot be assumed that if the introduction into service of the new search and rescue helicopters proves to be relatively trouble free, the process of bringing the new maritime helicopters to full operational status will be as easy.

In short, the reality is that many years will go by before the new maritime helicopters are fully operational and before all of the Sea Kings have been withdrawn from service. When the first new airframe arrives in Canada, a major milestone will have been reached, but pending the installation of the electronic equipment or mission suite, the process will be far from over. This means that the Department will have to administer the acquisition process as carefully as possible to avoid further delays. We therefore recommend that:

RECOMMENDATION 19

The process of selecting and acquiring the airframe or basic vehicle and the electronic equipment for the new maritime helicopter project be accelerated to ensure that all of the Sea King helicopters will be replaced by the end of the decade.

When fleets of old aircraft approach the end of their service life, there is a tendency among defence planners to hesitate to provide some new equipment like better radios or navigation equipment. Public opinion sometimes views as wasteful spending any expenditure for old aircraft a few months before their retirement. However, there are situations where such expenditures are important for the continued safe operation of the aging aircraft. Since the Sea Kings are so old and since the capabilities they provide are significant both for the surveillance of Canadian waters and overseas deployments, some of their equipment may have to be replaced or refurbished during the many years the aircraft will continue to operate until the new aircraft are operational. It would be false economy, especially in terms of safety, to skimp on expenditures on various equipment for the Sea King because they will soon be taken out of service. We therefore recommend that:

RECOMMENDATION 20

No efforts be spared to provide the Sea King helicopters with all the mechanical, electronic, and other equipment necessary to ensure their effective and safe operation until they are withdrawn from service.

Canada's other maritime surveillance aircraft, the Aurora long-range fixed-wing patrol aircraft, is only half as old as the Sea Kings. However, the Auroras have been due for an upgrading for some years now and the Air Force has finally undertaken the process, albeit in a number of stages. The upgrading is basically a mid-life overhaul which will help keep the Auroras in service for many more years while bringing its electronic equipment more in line with the realities of the first decade of the 21st century.

Indeed, like the new maritime helicopters, the modernized Auroras will focus more on surface surveillance than anti-submarine warfare. The upgraded aircraft will also be able to provide a strategic and tactical reconnaissance capability which will serve the needs not only of the naval forces, especially in littoral operations, but also of the ground forces. Some of the U.S. Navy's P-3 Orion aircraft, basically the same airframe as the Auroras, played an important role in U.S. operations in Afghanistan by providing the Special Forces and other ground units with information on enemy troop movements. The upgraded Auroras will be able to provide similar information to Canadian commanders in all types of overseas deployments, including peacekeeping operations.

However, as seen in other NATO countries, increased capabilities often mean some reductions in the number of aircraft or vessels remaining in operations in order to balance the costs of the upgrades with the ones for operations. In recent years, the Air Force has steadily reduced the number of types of aircraft in its inventory in order to stay within its operating budget. Withdrawing from service old jet trainers is one thing, but plans to reduce the number of aircraft in the Aurora fleet inevitably raise concerns. Besides the numerous operations overseas that can involve Auroras in one capacity or another, Canada has one of the longest coastlines in the world, not to mention vast territories in the North. At a time when surveillance capabilities are more important than ever, the possibility of losing any part of them is troubling. Since Auroras often assist search and rescue operations in Canadian waters and on the high seas, thereby giving some respite to the hard-pressed Hercules fleet which bears the brunt of such missions, there is even more reason to keep as many of the Auroras as possible. We recommend that:

RECOMMENDATION 21

All 18 Aurora long-range patrol aircraft be modernized and kept in the Air Force's inventory of aircraft so that they can continue to fulfil all their roles, including search and rescue and surveillance flights in Canada's North.

L. Modernizing the Rest of the Air Force

During testimony, the Committee heard some mention of the studies undertaken by the Department to determine how uninhabited aerial vehicles (UAVs) might be used to provide surveillance capabilities along Canada's coasts and possibly during overseas operations. Indeed, U.S. UAVs have played an important role during operations in Afghanistan and there is now added impetus on the development of such vehicles for reconnaissance and other roles. However, it remains to be determined to what extent UAVs can supplement if not replace current surveillance assets such as the Auroras. For a country with limited resources like Canada, UAVs offer some interesting and affordable capabilities, but the technology will likely need a few more years of development before Canada can take full advantage of such surveillance vehicles.

Meanwhile, more and more attention is being paid to the possibility that in two or three decades, combat UAVs will be able to supplement if not replace manned jet fighters because they will be able to drop bombs or fire missiles with the same accuracy as current aircraft. Developments in the U.S. and in other NATO countries will have to be monitored carefully to weigh the advantages and disadvantages of introducing and of eventually equipping the Air Force with such technology.

However, the age of the manned fighter bomber is by no means over and the development by the U.S. and its partners of the Joint Strike Fighter (JSF) and other fighter projects in the U.S. and elsewhere hold the promise of much improved capabilities in the coming decade. Canada's decision to become one of the secondary partners in the JSF project is opportune because it allows this country to be involved in a major high technology project that can be of significant benefit to Canadian industry. At the same time, it still leaves Canada with many options open if and when it decides to replace the CF-18s jet fighters in a decade or two.

For now, Canada can still count on its fleet of CF-18 fighter aircraft, which are supposed to remain in service until about 2020, to make valuable contributions when multinational operations become necessary to maintain or restore peace and stability. During the Kosovo campaign in 1999, NATO relied mainly on fighter-bombers to create the conditions necessary to deploy multinational peacekeepers to help restore stability in the region. In Afghanistan, carrier-based U.S. fighter-bombers have played a key role in combat operations. Thus, there is no doubt that a fleet of fighter bombers is still a valuable asset with which Canada can operate with allied forces in overseas deployments. There are situations where Canada is better off offering other types of contributions than fighter-bombers to international missions. For example, in Afghanistan, carrier-based fighters were used extensively because of the lack of airfields close to the target areas. In other circumstances, the CF-18s may be required to support Canadian ground troops involved in a peacekeeping or coalition combat operation.

However, the CF-18 fleet has to be kept as close as possible to the state of the art in terms of fighter-bomber operations. The radar and other electronic equipment aboard

the CF-18s are the same as when the aircraft were delivered in the 1980s and, as everyone knows, computer technology from the 1970s and 1980s hardly compares with what is available today. While the airframe part of the CF-18 is still basically in good shape, the dated electronic and communications equipment are jeopardizing the ability of the fleet to operate safely and effectively with allied forces in combat situations.

In order to maintain its capacity to make valid contributions to multinational peace efforts, Canada has wisely invested in the upgrading of its CF-18s in order to improve the capabilities of the radar and weapons systems. However, the Committee is concerned that the upgrading is only now starting, that it will be 2006 before the project is completed, and that only 80 of Canada's 120 or so CF-18s will be updated. Some follow-on projects will be required in later years to provide more capabilities. Hopefully, the modernization process will not encounter any delays and that a steady stream of updated CF-18s will return to operations so that Canada can make the most effective contribution possible whenever multinational operations become necessary.

While Canada is finally proceeding with the modernization of its fleet of fighter aircraft, it has also taken steps to ensure that when required, the CF-18s can deploy quickly and efficiently. In order to take full advantage of the enhanced capabilities of the upgraded CF-18s, the Canadian Forces must have its own capability to provide air-to-air refuelling to the fighters on overseas deployments. The Air Force currently has a limited air-to-air refuelling capability provided by a few Hercules equipped for such operations. However, for long strategic deployments, for example across the Atlantic, jet transports can ensure more efficient operations because they have more range than the Hercules and can fly faster, making it easier for the CF-18s to refuel in midair and maintain a good cruising speed.

When the Air Force had two 707 transport aircraft modified for air-to-air refuelling, it could not only quickly deploy overseas a number of its CF-18s, but also contribute, as it did during the Persian Gulf War, to the fleet of allied tankers assisting coalition fighters during their sorties. Thus, the Committee welcomes the project undertaken to modify two of the Air Force's five C-150 Polaris transport aircraft (Airbus A310s) for air-to-air refuelling. The fact that the German air force is modifying its Airbus 310s at the same time will help the project avoid much of the risks and limit the costs involved in pioneering modifications on a type of aircraft not used for air-to-air refuelling before.

More importantly, in about two years, Canada will have both strategic and tactical air-to-air refuelling capabilities and will not be dependent on allied aerial tankers or those chartered from a private company to deploy its CF-18s overseas. In short, together with the upgraded CF-18s, the Airbus A310s modified for air-to-air refuelling will enhance Canada's ability to meet its commitments to contribute an effective fighter aircraft capability to NATO and other multinational efforts to ensure international stability.

M. Reflection on Long-term Planning

The gap between the loss of much of Canada's strategic air-to-air refuelling and the recovery of such capabilities in the near future is quite similar to the situation with regards to the submarine capability where the old subs have been withdrawn from service long before the fleet of new boats attain full operational status. Indeed, the history of Canada's military is replete with cases where capabilities have been lost or allowed to deteriorate significantly and later recovered, though not necessarily always in full.

Readiness inevitably suffers because equipment has to be kept in service long after it has become obsolescent or has past the point of economical operation. The funds spent on the higher maintenance costs of old aircraft, ships, and vehicles may mean less money to buy new equipment or just enough to purchase equipment that is only adequate. Budgetary realities and the tempo of operations are some of the main reasons why these situations continue to occur. Furthermore, even powerful military forces like those of the United States continue to operate a large inventory of old equipment while introducing a few technologically advanced weapons systems now and then. For example, the growing age of many U.S. fighters and transport aircraft is causing some concern among U.S. military observers.

However, in Canada's case, there is room for concern that the military is approaching a point where the efforts to introduce new equipment simply cannot keep up with the combined effects of delays in the acquisition of new equipment, the cost of operating old pieces of equipment well past their prime, and not enough spending on defence. The result of such a situation could be a constant decline in readiness. Indeed, the pace of technological development is so rapid that upgrades may have to be undertaken many times during the service life of pieces of equipment.

The problem facing Canada is that many major pieces of equipment will have to be replaced in 10 to 15 years and considerable expenditures will have to be made for this, as well as for the upgrading of other equipment. As Colonel (Retired) Brian MacDonald, President of the Atlantic Council of Canada, pointed out, the portion of the defence budget allocated to capital spending has declined significantly over the years.[54] If Canada continues to allocate so little of its defence budget on equipment projects, the readiness of the Forces will inevitably suffer because they will be saddled with the costs of keeping old equipment in service beyond their prime and will not be able to invest in new technology that can act as a force multiplier.

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[54] Colonel (Retired) Brian MacDonald, *Proceedings*, November 27, 2001.

CHAPTER 5: DEFENCE OF CANADA

A. Readiness and Homeland Defence

Increasing or at least maintaining the readiness of the Canadian Forces at a level sufficient to ensure the rapid and efficient deployment of units anywhere in the world is a complex endeavour. Units and doctrine have to be transformed and equipment has to be replaced or modernized. However, it is by no means certain that all the financial resources and personnel required will be available in sufficient quantity to do this now or in the near future. The fact remains that foreign deployments are only one element of the many tasks carried out by the Canadian Forces.

While geography has usually isolated Canada from the world's trouble spots, there has always been a need to devote some of our military resources to the surveillance and defence of Canadian territory, airspace, and waters. At a time when the capacity of the Canadian Forces to deploy overseas needs more resources and fresh thinking to keep pace with technological and doctrinal developments, the defence of Canada has become much more complex in the face of international terrorism. Thus, more demands are being placed on the overstretched resources of the Canadian military.

Indeed, the September 11, 2001 attacks provided another example of the importance of military readiness. As the events unfolded and the full extent of the coordinated attacks was still being assessed, Canada's military went on alert. For example, while CF-18s patrolled Canadian airspace as part of NORAD's response to the crisis, other elements of the Canadian military went into action to load and deploy transport aircraft carrying food and supplies to various communities within Canada. These communities suddenly found themselves taking care of thousands of stranded passengers following the grounding of all commercial flights within or entering North American airspace.

Without proper training and equipment, military units would have been unable to contribute meaningfully on such short notice to the efforts deployed on September 11th and subsequent days to mitigate the effects of the terrorist acts and to deter new attacks. Indeed, it is not always possible to count on weeks and months to train and equip military personnel in order to respond to a threat to national or international security. While some may think that combat capable forces are not necessary in peacetime, military capabilities and training must be maintained precisely because they may have to provide a quick and effective response to sudden and unexpected events.

Indeed, despite terrorist incidents and the proliferation of conflicts in distant regions of the world, many persons in North America had perhaps been lulled into a false sense of security following the end of the Cold War. The attacks against the U.S. brutally illustrated the surprise element of terrorist actions and the need to maintain military units at a certain

level of readiness to ensure a rapid response when something happens. They also demonstrated that there is still a need to ensure airspace surveillance.

B. Airspace Surveillance and NORAD

When the Cold War ended, some questioned the need to maintain a fighter aircraft capability for the surveillance of Canadian airspace. Nevertheless, a country's ability to monitor all aircraft within its national airspace is an important element in the assertion of sovereignty. Without the capability to intercept and identify intruding and suspicious aircraft, a country's claim that it controls activities within its airspace is questionable. A new and unwelcomed element was introduced because we now know beyond any doubt that airliners can be hijacked and turned into weapons. Both in Canada and the U.S., additional jet fighters were put on alert after the attacks and carried out patrols over cities to deter further attacks using hijacked airliners or any aircraft against key installations, including nuclear power stations.

Following a few months of intensive operations, the tempo of patrols by fighter aircraft has declined only slightly in the U.S. as well as in Canada. New security measures at airports and elsewhere have reduced the possibility of hijackings. However, while the costs of maintaining constant fighter patrols over potential terrorist targets, if only in terms of wear and tear on the aircraft, can be quite high, there is still a need to remain vigilant. Measures have been taken or are being planned to improve the monitoring of air traffic within North American airspace, notably through better coordination between civil and military air traffic control. Indeed, on the military side, the North American Aerospace Defence Command (NORAD) continues to play an important role in ensuring North American security.

A servicing technician directs the pilot of a visiting CF-18 Hornet jet fighter to a temporary hangar after a routine flight over the Atlantic coast.

Since 1958, Canada and the U.S. have cooperated together within the context of NORAD to provide effective surveillance of North America's airspace. Thanks to its involvement in NORAD, Canada has been able to ensure the surveillance of the wide expanse of its airspace and contribute to the defence of its closest ally. Without NORAD, it would have been necessary for Canada to assume on its own the significant costs of providing the various elements, such as the North Warning System, involved in the surveillance of the wide expanse of its airspace. If it had neglected the surveillance of its airspace, Canada would face strong pressure from the U.S. to either bolster its surveillance capacity or allow its powerful neighbour to take a dominant role in monitoring its airspace.

Under NORAD, the two countries have cooperated to ensure the surveillance of continental airspace without harming their respective sovereignty. Indeed, while U.S. military aircraft have flown in Canadian airspace as part of NORAD operations, Canadian CF-18s and Canadian personnel aboard U.S. Air Force Airborne Warning and Control System (AWACS) aircraft have flown in U.S. airspace for many years. A number of Canadians were also involved in the operations carried out by a few NATO AWACS aircraft deployed to the U.S. in the wake of September 11th to help the hard-pressed U.S. AWACS fleet. Given the number of aircraft flying through North American airspace and of those crossing from one country to another, cooperation between allies is a necessity to ensure effective airspace surveillance and, if necessary, a quick response to counter suspicious or aggressive actions.

In contrast, even during the Cold War, the surveillance of coastal territories and waters did not appear to require the same kind of coordinated action and speedy response. Canada and the U.S. were satisfied just with the exchange of information on activities within their respective territories and waters and the occasional joint exercises. The realization that gaps in the surveillance of the approaches to North America could be exploited by terrorists to infiltrate and prepare attacks have prompted both countries not only to increase their respective surveillance efforts, but also to explore ways of improving their cooperation in this domain.

C. Surveillance of Coastal and Other Areas

The 1994 White Paper on Defence pointed out the traditional contributions of the Canadian Forces to surveillance operations such as patrols by Aurora aircraft and naval ships along Canada's coasts and in the North. These patrols are necessary to detect and deter foreign military activities close to Canadian shores and to assist efforts by other government departments and agencies to counter criminal activities such as people or drug smuggling and illegal fishing. Incidents harmful to the environment such as accidental or deliberate oil spills by foreign vessels can be observed and evidence collected to assist efforts to bring the perpetrators to justice. The possibility that terrorists might try to infiltrate into Canada through its coastal waters to prepare attacks within North America has added more impetus to efforts to ensure better offshore surveillance.

Canada's long coastline and the wide expanse of its northern regions have always posed a significant challenge to defence planners. Satellite technology already provides some limited capabilities in terms of surveillance over wide areas, but more technological developments are required in this area to plug all the gaps. The use of satellites for wide-area surveillance and other space-related issues merit more attention than we as a Committee were able to give to these issues because of all the other complex issues related to the readiness of the Canadian Forces. Indeed, satellites used for communications, navigation, and surveillance are increasingly vital elements to the readiness of any military force. Given the high costs of the technology used in these systems, careful planning and coordination are necessary to ensure that funds desperately needed by various elements of the Forces are not squandered.

While surveillance from space offers great potential, more traditional means like the Aurora long-range patrol aircraft and naval vessels will continue to be the main tools with which to monitor activities along Canada's shores. As discussed in the chapter on foreign deployments, the mid-life update of the Aurora aircraft is now proceeding. The emphasis of the new electronic equipment will be more on surface surveillance than on anti-submarine warfare, but the Auroras will still continue to play a key role in the surveillance of Canadian waters and territory.

The Navy's frigates, submarines, and especially the maritime coastal defence vessels (MCDVs) are also key elements of the surveillance of the waters off our shores. Since these include not only Canada's territorial waters, but also wide areas of the oceans off our three coasts, the burden on our small navy is quite significant. The Navy must be able to carry out surveillance operations close to our shores while still maintaining the capacity to deploy some ships to the other side of the earth if and when an international crisis develops. The Navy's burden will likely increase in the coming years because the surveillance of Canadian waters in the Arctic will require more and more attention while the polar icecap continues to melt.

The effects of climate changes on the Arctic polar icecap will probably include, among other things, increased shipping activity in Arctic waters. In order to assert its sovereignty over its territories and waters in the Arctic, Canada will have to maintain its naval capabilities and improve them whenever the opportunity presents itself. Indeed, we should prepare now for the implications of the melting polar icecap instead of reacting only if and when other countries start exploring the possible shipping routes in the Arctic Ocean. In the meantime, Canada's naval vessels should operate more frequently in northern waters when conditions allow in order to gain more experience in Arctic operations.

To some extent, Canada's new submarines can play an important role in providing surveillance in northern waters as well as elsewhere along Canada's coasts. Their operation under the polar icecap would be very limited for safety reasons pending the addition of some sort of air independent propulsion system. However, the melting icecap is actually increasing the area in northern waters where the subs could operate without such restrictions. Thus, it is unfortunate that technical problems are delaying the delivery of the two submarines still in the U.K. and the operational use of all four subs. The new Victoria class submarines are an important element of the Navy's surveillance capabilities in Canadian waters, so any new delays in bringing the subs up to fully operational levels will be of considerable concern to the Committee.

In the meantime, the MCDVs are proving their worth in surveillance operations off Canada's coasts. The crews of the MCDVs are composed mainly of Reservists who by all accounts are doing a fine job in fulfilling their main tasks such as shipping control. The MCDVs patrol littoral areas and can assist police authorities in detecting and stopping drug and other types of smuggling. The Committee is therefore concerned that only 10 of the 12 MCDVs are currently in full operation. The Committee also believes that more attention should be paid to providing all of the mines countermeasures capabilities that were

planned for the MCDVs when the vessels were on the drawing board. Considerable research has been done on such capabilities, but given the terrorist threat, more action has to be taken.

In short, various air, naval, and land units can play a role in ensuring the surveillance of Canadian airspace, waters, and territory. The coordination of the various operations and the exchange of information between units or between aircraft and warships are greatly assisted by the continued emphasis within the Canadian Forces on joint operations. By training together, Army, Navy, and Air Force units can work together effectively and react quickly and appropriately when an emergency arises. Given the element of surprise often involved in terrorist attacks, the effective coordination of actions by various military units can greatly assist the detection or at least the response to the incidents.

D. Relationship with U.S. Northern Command

The need for better coordination of various military units has also been recognized by the U.S. Prior to September 11th, the emphasis in U.S. military operations was predominantly on overseas deployments and the command structures of the U.S. Army, Navy, Air Force, and Marine Corps reflected this. Since the late 1990s, homeland defence and the various commitments made by the U.S. military to help civilian authorities deal with terrorist attacks were cobbled together while better coordination of these efforts was the subject of debate. The attacks against Washington and New York prompted the U.S. government and the military to take action to ensure better coordination between U.S. forces in the continental U.S. Indeed, U.S. military forces have greatly increased patrols in U.S. airspace and on the sea approaches to the continental U.S. and these efforts will now be a fixture in U.S. military operations.

To ensure the effective coordination of all the U.S. military units involved in the direct defence of U.S. territory, the U.S. government announced in April 2002 that Northern Command will be established starting on October 1, 2002. The air and sea approaches to the continental U.S. will be in the zone of responsibility assigned to Northern Command. Other U.S. military commands cover zones of responsibility that cover regions in Europe, Asia, and Africa, but they are basically responsible only for U.S. military units within the zones. Central Command that is responsible for U.S. military operations in Afghanistan is more or less an example of how Northern Command could operate.

The U.S. units involved with NORAD will be an element of the new Northern Command, but NORAD itself will not change any major aspects of its operations. Canada continues to be part of NORAD and operations in the Canadian region of NORAD remain the same. There may likely be changes in the way the Commander in Chief of NORAD will report within the U.S. military chain of command. Precisely what this may mean for Canada is currently being discussed between Canadian and U.S. officials. As for the effects of the establishment of U.S. Northern Command on other Canadian military units including Aurora patrol aircraft and naval ships, there has been much speculation in some Canadian

circles that these units will come under the command of the U.S. military. Others have pointed out that Canada's defence, trade, and other policies are more closely linked to those of the U.S. than ever before and that the high level of interoperability between Canadian and U.S. forces has been achieved without loss of sovereignty by Canada.[55]

The fact remains that Northern Command is the result of restructuring within the U.S. military and does not have an immediate impact on Canadian military operations. There already exists considerable cooperation between the naval and land forces of the two countries, as well as between the air forces, but each country retains command over its military forces. The establishment of Northern Command and the emphasis on better coordination between military units and quick response to terrorist incidents could have some implications for military units in both countries. Given Canada's strong commitment over the years to the defence of North America, there may be opportunities to increase the coordination of military operations involving both countries without any negative effects on the sovereignty of either one. We therefore recommend that:

RECOMMENDATION 22

The Canadian government authorities continue to explore with their U.S. counterparts possible ways of improving the longstanding cooperation between Canada and the U.S. in NORAD and in the defence of North America in general, in light of the establishment by the U.S. of its new Northern Command, and that Parliament be kept informed.

The goal of NORAD has always been to ensure the effective operational control of the various air defence resources of both countries while each country remain in command of their respective forces. Whether within NORAD, NATO, or a multinational coalition acting on behalf of the United Nations, Canadian military units have often been under the **operational control** of military commanders of other countries, but they were still under the **command** of Canadian authorities. Indeed, as Vice-Admiral Ron Buck, Chief of the Naval Staff pointed out, there have been many occasions where Canadian officers have had operational control over ships and other units of foreign countries.[56] In short, it is possible to improve coordination between the military units of different countries without infringing on their individual sovereignty. Given the international terrorist threat, close cooperation between allies is more important than ever.

Indeed, cooperation among allies is not just a question of joint and combined exercises by the land, naval, and air forces of various countries. Many other elements are involved in efforts to improve international and homeland security, some of which are not

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[55] See for example Joel Sokolsky, *Sailing in Concert: The Politics and Strategy of Canada-US Naval Interoperability*, Institute for Public Policy and Research, April 2002. See also testimony of Joel Sokolsky, *Proceedings*, April 30, 2002.

[56] Vice-Admiral Ron Buck, *Proceedings*, March 2002.

strictly military in the traditional sense. For example, in our November 2001 interim report, we applauded the government's announcements concerning its decision to give more resources to the Communications Security Establishment (CSE), an organization within the Department of National Defence, which cooperates with the U.S. and other allied countries in the gathering and analysis of signals intelligence. Such intelligence is an important element in monitoring international developments and terrorist threats. There is always a danger that if there are no more major terrorist attacks in North America for a few months, people will again become complacent and question the usefulness of signals intelligence gathering and other security measures. Thus, the operations of CSE and improvements in military intelligence and intelligence generally must continue to receive a high priority.

E. Military Contributions to Homeland Defence

The work done by the CSE and those involved in military intelligence has been a feature of defence and security operations for decades. However, in the age of rapidly evolving technology and the potential willingness of terrorists to use nuclear, biological, and chemical weapons of mass destruction and terror, the line between defence and security has become increasingly blurred. The possibility still exists for confrontations on the battlefield between the armed forces of one country and the equivalent forces of another, but with asymmetrical threats, the military must also be ready to deal with or at least to contribute to efforts to deter terrorist attacks against the homeland.

Given the limited resources available just to keep military forces at a high level of readiness and to have the means necessary to deploy them overseas, the need to devote more resources to homeland defence adds a new level of complexity to the distribution of budgetary resources. This is one reason why, within the context of a study on readiness, the Committee examined the current and potential contributions of the Department of National Defence and the Canadian Forces to efforts to counter asymmetrical threats. Indeed, the Committee began to consider these issues long before the attacks of September 11th because they do have some implications for defence spending.

Indeed, some argue that the military should concentrate on its traditional capabilities and leave homeland security issues to police and other authorities while others point out that the military has resources which can support the first responders to terrorist attacks using weapons of mass destruction. Care must be taken to ensure that traditional military capabilities are not allowed to deteriorate because too much military spending is reallocated to homeland defence. On the other hand, it would be somewhat counter-productive to have armed forces more than ready to confront the armed forces of a foreign state, but totally powerless to do anything while terrorist attacks cripple their homeland's critical infrastructure and terrorize the population.

In short, Canada's armed forces must be able to contribute to the defence of the homeland while still retaining their basic military capabilities at a sufficiently high level. By the same token, Canadians must recognize that the military is only one of the elements that can help ensure Canada's security. Indeed, as our November 2001 interim report

pointed out, police, firefighters, and other first responders are our first line of defence to deter and mitigate the effects of terrorist attacks with weapons of mass destruction. However, the military must be able to help the first responders. The Committee therefore welcomes the government's decision, as indicated in its response to the interim report, to establish a new high-readiness team that will be able to deploy, on short notice, anywhere within Canada to assist authorities dealing with chemical, biological, radiological, and nuclear terrorist attacks.

The Committee also welcomes the additional funding announced by the government in its 2001 Budget for agencies like the Office for Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) to enhance emergency response and preparedness training for first responders who might have to deal with chemical, biological, radiological, and nuclear attacks. Indeed, this had been proposed in Recommendation 14 of this Committee's interim report. The distribution of funding for training for first responders is one of the many responsibilities of OCIPEP that is an agency within the Department of National Defence.

F. Critical Infrastructure Protection

OCIPEP was established in February 2001 in recognition of the need to take more effective action in protecting Canada's critical infrastructure against terrorist attacks. The Minister of National Defence is the Minister responsible for the organization that is also the government's primary agency for ensuring national civil emergency preparedness since it encompasses the functions of Emergency Preparedness Canada.

The new agency has the task of developing and implementing a comprehensive approach to the protection of Canada's critical infrastructure that is more and more dependent on information technology systems. These systems are not only a crucial element of banking and commerce, but also a vital tool in the operation and monitoring of many of the physical elements of the infrastructure such as factories, pipelines and hydroelectric dams. Disruptions in the information technology systems in general, notably in the banking sector, or in the computers actually controlling, for example, the flow of oil through a pipeline or electric power through a regional or local grid could have a serious impact on a country's economy and social stability.

Accidents or disruptions in the information technology or cyber part of the infrastructure could also result in environmental disasters such as oil spills near pipelines and floods around dams that may require the evacuation of thousands of citizens. This explains to some extent why the functions of what was called Emergency Preparedness Canada, which was also within the Department of National Defence, have been shifted into the newly created agency. While one part of OCIPEP is involved in the protection of the critical infrastructure, another element can assist provincial and municipal authorities dealing with the consequences of a disaster, whether natural or man-made.

Indeed, OCIPEP was involved in the coordination of the operation that provided many municipalities across Canada with supplies when they had to provide food and lodging to foreign travellers stranded because of the terrorist attacks in Washington and New York. The fact that it was up to Canada's fleet of military transport aircraft to deliver emergency supplies to various points across the country, because civil aircraft were grounded, again highlights the importance of this element of the Canadian Forces. While the transport aircraft are key to the Canadian military's ability to deploy its units abroad to world trouble spots, they are also vital for transporting emergency supplies within Canada when natural disasters or terrorist attacks occur. This is in addition to the major role played by the Hercules transports in national search and rescue. Since some of the Hercules are among the oldest aircraft currently in the Air Force's inventory of air transports, the same concerns about their availability when required for national emergencies as well as for overseas deployments apply. We therefore recommend that:

RECOMMENDATION 23

Sufficient numbers of new and replacement transport aircraft be acquired in the near future to meet the domestic needs of Canada, including search and rescue operations, while ensuring the airlift capacity required for foreign deployments, as called for in recommendation 16.

While the Canadian Forces can help authorities deal with the consequences of a disaster, emergency preparedness and critical infrastructure protection are not strictly military issues. Indeed, in Canada, many departments and agencies are involved in efforts to ensure national security. The Solicitor General is the lead minister for public safety and has specific responsibility for working with other government departments and agencies with regard to the counter-terrorism plan. The creation of OCIPEP within the Department of National Defence accentuated the Department's contribution to the counter-terrorism plan. The February 5, 2001 press release from the Prime Minister's Office issued when OCIPEP was created stated that the Minister of National Defence, while responsible for the Office, will collaborate closely with the Solicitor General and other ministers to ensure a coherent and comprehensive approach to critical infrastructure protection and emergency preparedness. The Office was also given the task of building partnerships with the private sector that owns and operates much of the critical infrastructure.

Indeed, the security of a country now depends not only on its ability to defend itself against a foreign military attack, but also on its capacity to ensure the stability of its economic and communications sectors and of society in general. A country must therefore protect its infrastructure, but in the computer age, it cannot do so simply by deploying tanks and sentries around dams and pipelines. Meanwhile, the military, which is itself more and more dependent on information technology for everything from administrative duties to battlefield management, must not only play a role in protecting the national infrastructure, but also ensure that its own computer systems are not vulnerable to disruptions.

Canadians cannot simply assume that terrorists will never target the country's critical infrastructure. Canada and the United States are so interconnected in terms of oil and gas pipelines, electrical power grids, trade, and computer systems that terrorists attacks against one country would more than likely have effects on the other. Terrorists could launch attacks within or through Canada with the goal of damaging the U.S. energy, communications, and economic sectors. Attacks by hackers against U.S. Internet sites using servers in Canada and other countries are just one example of the vulnerability of U.S. information technology systems to indirect attacks. Indeed, Canada, the U.S., and many other countries are so closely linked economically and technologically that they each have a certain responsibility for the protection of the other's critical infrastructure.

The Canadian military is only partially involved in the protection of the critical infrastructure and even OCIPEP is not the predominant protector. As in the U.S., the emphasis is on cooperation and coordination between government agencies and the business sector that owns and operates a large part of the critical infrastructure. In other words, the protection of the critical infrastructure is not solely a government responsibility. Nevertheless, the military cannot assume that the protection of the critical infrastructure is not one of its concerns. For example, disruptions in civilian communications systems could have an impact on the military's ability to operate within Canada and to deploy overseas. Furthermore, numerous terrorist attacks against the critical infrastructure could undermine the country's economy that underpins defence spending while hampering the production of military equipment by Canadian industries.

In short, ensuring the readiness of the Canadian Forces has always been a difficult endeavour because of restraints on defence spending and the rapid evolution of military doctrine and technology. The task is now more complicated than ever because the homeland is more and more directly threatened and closer attention must be paid to the defence and security of Canada's territory and its critical infrastructure. The commitments and capabilities of the Canadian Forces will have to be closely examined and possibly adjusted in light of the continually changing requirements. During this process, care will be needed to retain and protect the most important asset of the Canadian Forces, its personnel.

CHAPTER 6: THE BIGGEST ASSET OF THE CANADIAN FORCES: ITS PERSONNEL

A. Quality of Life

Discussions about the readiness of military forces often concentrate on the training of units and the capacity of various pieces of equipment to perform the tasks for which they were designed. However, the skills, courage, and dedication of its personnel are indispensable to the ability of Canada's military to carry out its assigned missions. A number of factors influence the level of readiness of military personnel including quality of life issues, recruitment, and leadership training.

Having participated actively in recent years in efforts to improve the quality of life of Canadian military personnel and their families, this Committee would be remiss if it did not highlight the importance of this factor in helping ensure a high level of readiness. Improvements in the quality of life can only help personnel maintain a high level of morale and commitment to the tasks at hand, especially during long deployments outside of Canada for training and for combat or peacekeeping operations.

Having sampled first-hand the discontent felt by many military personnel and their families during the 1998 study, the Committee welcomes the fact that morale has, according to many reports, improved since that time thanks in part to quality of life initiatives. While there are still problems, progress has been made in terms of salaries and other benefits since the mid-1990s when there was an increasing number of news stories about some military families relying on food banks to make ends meet.

For example, various measures recommended by this Committee and by others have helped to reduce the effects of high costs of living on the Pacific coast compared to those in the Maritimes on naval and other personnel. As Rear-Admiral (Retired) Moore, President of the Naval Officers' Association of Canada noted, the morale of naval and other personnel on the Pacific coast has improved significantly compared to what it was four or five years ago.[57]

Some may still question the importance of quality of life initiatives in the military and fail to see their contribution to readiness. However, measures to eliminate or at least reduce the effects of various irritants such as poor housing conditions on bases and the high costs of living in some regions can only help to put military personnel in a better state of mind during training and operations. Improvements in the quality of life also help the families of military personnel accept the many sacrifices they have to make, especially when their loved-ones are away on long deployments.

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[57] Rear-Admiral (Retired) Russell Moore, *Proceedings*, March 2002.

A Flight engineer operates the C6 light machine-gun mounted in the side door of a CH-146 Griffon flown by 430 Tactical Helicopter Squadron from Valcartier.

Furthermore, better conditions and the availability of services for the families can encourage many in the Forces to prolong their military careers instead of seeking employment in the civilian sector. Unfortunately, the quality of life initiatives may have arrived too late to change the mind of some personnel who decided to leave the military as soon as they could.

The significant haemorrhaging of trained and experienced personnel from the ranks of the military over the last few years has had and will continue to have an impact on readiness for some time to come, given the time and costs involved in bringing new recruits up to similar levels of training and experience. Meanwhile, the tempo of operations during the last decade has pushed many of the remaining members of the Forces to the point of exhaustion. Furthermore, during these complex and often dangerous operations, a number of personnel were injured, physically, psychologically or both, and require continued care and attention.

B. Care of Injured Personnel

Care of injured personnel was one of the major issues examined during our 1998 study and despite the improvements made in this area by the Department of National Defence and the Canadian Forces, there is still cause for concern. Some procedures and attitudes concerning physically injured personnel have changed for the better and, we trust, will continue to improve. However, the care and treatment of personnel suffering from psychological injuries require continued attention and improvement.

The tempo of operations during the last decade and the horrors witnessed during many of the missions undertaken, such as those in the former Yugoslavia and Rwanda, have taken a heavy toll on some members of the military and their families. The effects of Post Traumatic Stress Disorder (PTSD) and other psychological injuries often become evident only months, if not years, after a peacekeeping or combat operation. Thus, effective treatment programs must be available on a continuing basis.

However, there are questions about the effectiveness of the programs made available by the Department and the Forces and there is evidence that attitudes towards

military personnel dealing with PTSD or other psychological problems is not conducive to speedy diagnosis and treatment. During the investigation of the complaint by Corporal Christian McEachern, the Ombudsman for the Department of National Defence and the Canadian Forces decided to examine the whole issue of how the Canadian Forces as an organization deal with PTSD. The Committee thanks the Ombudsman for the report and its observations based on information gathered during the investigation that help people within and outside the military better understand the issues. Among other things, the report concluded that the number of CF personnel with PTSD is probably much higher than the number of declared cases because of the reluctance of many individuals to seek treatment.[58]

One of the reasons for this discrepancy is the fact that while it may take time for some people to recognize that they may have PTSD, others are well aware of their condition, but avoid seeking help because of the stigma attached to PTSD among some of their comrades. The Ombudsman's report stated that there is overwhelming evidence of scepticism within the military about PTSD, something that may explain why members with PTSD, including Reservists, often feel abandoned by their units. In his testimony to the Committee and in various other presentations, Lieutenant-General (Retired) Roméo Dallaire has been quite frank and open in describing the problems he is dealing with and has been very generous in helping others come to grips with the realities of PTSD.

However, despite the recommendations put forward by this Committee in the past and the commitments made by the Department, it is evident that much more effort is required to improve the attitudes of some in the military concerning PTSD and the treatment programs offered to those who need it. Effective treatment of CF members with PTSD helps not only their situation, but also the readiness level of their units and the Forces in general. Considerable time and effort is invested in the training of military personnel, so the units and the Forces have much to gain in helping individuals deal with PTSD.

New programs have been established to help individuals and their families cope with the effects of PTSD. For example, Sainte-Anne Hospital in Sainte-Anne-de-Bellevue in Quebec, which is operated by the Department of Veterans Affairs, has recently established a program to assist veterans and members of the Forces dealing with PTSD. This and other projects need continued support and additional resources. We therefore recommend that:

RECOMMENDATION 24

The Department of National Defence, together with the Department of Veterans Affairs, give a high priority and additional funding to programs designed to help members of the Canadian Forces dealing

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[58] Ombudsman to the Department of National Defence and the Canadian Forces, Report to the Minister of National Defence, Special Report, *Systemic Treatment of CF Members with PTSD*, February 5, 2002.

with Post Traumatic Stress Disorder and other psychological/physical injuries following their participation in peacekeeping or combat missions abroad or in training, rescue, or other operations within Canada in order to maintain a good quality of life for the individuals.

The care of the injured, whether the injuries are physical or psychological, is an important issue both for the individual faced with debilitating conditions and their family members who provide support. However, it is also of concern for those outside the military as well as for those inside. Military personnel who lose confidence in the commitment of the Forces to take care of them and their families if they suffer injuries will be more likely to leave the ranks at the first opportunity. If civilians also gain the impression that the military does not take care of its injured personnel, they could be less interested in serving their country within its ranks or encouraging their sons and daughters to do so. Such attitudes will adversely affect readiness because of their implications for the recruitment or retention of personnel.

For these and other reasons, the problems faced by individuals suffering symptoms often grouped under the name Gulf War Syndrome are of particular concern. The health of a number of individuals who served in the armed forces of Canada, the U.S., the U.K., and other countries during the period of the Persian Gulf War have seriously deteriorated over the years, but the medical and scientific communities have been unable to clearly identify all the causes.

Some argue that there is a link between exposure to expended depleted uranium shells like those used against tanks and the Gulf War Syndrome while others maintain that no link has been established. The Committee has briefly examined the issues involved, but there is so much scientific information and contradictory claims that it cannot simply come out in favour of one side over another. However, it is clear that all available means must be taken to help these individuals and their families cope with these problems and that more research is needed on the possible causes of the health problems faced by veterans of operations during the Persian Gulf War. We therefore recommend that:

RECOMMENDATION 25

The Department of National Defence and the Department of Veterans Affairs continue extensive research on all the possible causes of what is referred to as the Gulf War Syndrome and any other psychological/physical injuries.

While various programs are necessary to help individuals deal with whatever problems they may have after tours of duty, it is also important to adequately prepare military personnel for the conditions and situations they will experience during combat or peacekeeping operations. Indeed, proper training and unit cohesion are other factors that can ensure that personnel are ready for the next rotation in a peacekeeping operation or a deployment to a trouble spot overseas. The Forces have also tried to lighten the burden of

overseas deployments on personnel. For example, the tour of the Griffon helicopter units in Bosnia were reduced to two months instead of the six months usually associated with overseas missions. Such measures shorten the time away from home and both the individuals and their families can benefit.

The fact remains that six-month rotations have been a heavy burden for individuals and their families because many in the military have done a number of six-month tours over the course of a few years. The tempo of operations is one reason for this situation, but the decline in the total number of military personnel is another. There are fewer persons to share the burden of long-term commitments. Thus, recruitment is an important issue in terms of readiness, both to maintain the number of military personnel at adequate levels and to bring new recruits into the ranks to compensate for the departure of experienced personnel.

C. Recruitment

Indeed, the haemorrhaging of experienced personnel was no doubt one of the reasons why by 2001, the strength of the Regular Force of the Canadian Forces fell below the 60,000 level set by the 1994 Defence White Paper. The reduction to 60,000 was bad enough given the increased tempo of operations which occurred during the 1990s. The Forces and especially the Army became overstretched, but the decline below 60,000 exacerbated the problems. The suspension of recruitment for a few years during the 1990s did not help either because the flow of new recruits into the Forces was interrupted.

When recruitment resumed, the military then experienced increasing difficulty in obtaining the requisite numbers of new recruits. Indeed, many young Canadians opt for careers in the private and public sectors in jobs that often offer better pay and chances for advancement. The Canadian Forces have to work harder to attract new recruits, especially those with the computer and management skills required to operate technologically advanced equipment. Of course, this does not mean that the Forces have only a few of Canada's best and brightest and that the rest of the personnel cannot reach the same high standards or are not as good as those who preceded them.

On the contrary, Canada is very lucky to have highly capable and dedicated personnel in its military. Lieutenant-General Mike Jeffery, Chief of the Land Staff, was very clear in his praise of the young men and women in uniform, stating that their moral and ethical standards and their commitment to the job and to this nation was as good as previous generations. Indeed, he added that he believed that "…the quality of soldier I am seeing, and particularly the quality of the leader, is superior to what I've experienced in close to 37 years of service."[59] Our troops in Afghanistan have faced all the hardships associated with combat, including the tragic deaths of comrades, and have demonstrated the same courage and determination to carry out their mission as their predecessors.

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[59] Lieutenant-General M.K. Jeffery, *Proceedings*, May 17, 2001.

Members of the 2nd Regiment, Royal Canadian Horse Artillery (2 RCHA) help build a barbed-wire perimeter for the new Canadian camp in the Former Yugoslav Republic of Macedonia.

However, if the Forces cannot get all of the recruits they need for both the Regular and Reserve Forces, their ability to fulfil their numerous commitments will be undermined. Canada is not the only country where the military is facing recruitment problems. Indeed, the United States and many other allied countries are relying on expensive recruitment campaigns and incentives to reach their quotas of new recruits. Some young persons in various countries have recently shown more interest in military service in the wake of the September 11th attacks, but continued economic growth and the resulting availability of jobs in the civilian sector make it difficult to interest others in such a career.

In any case, the Canadian Forces recognized the need to undertake a major recruitment drive in 2001. Efforts to reduce the gap between actual and desired personnel levels have been successful to some extent, but attracting new recruits will likely be a labour-intensive task for years to come. The Army in particular faces a number of problems as it tries to reduce shortages in a number of specialized trades. The signing bonuses of up to $40,000 announced in early 2002 to attract or retain young Canadians with engineering skills are another sign of the times.

The loss of experienced personnel in recent years and problems in recruiting new personnel have an impact on readiness not only at the present time, but also well into the future. It takes time to provide recent recruits with the training and experience equivalent to that of the personnel who recently left the Forces. Besides, like other sectors of society, the military will be affected by the increasing average age of the general population and the retirement in a few years of large numbers of baby boomers, including those in the armed forces.

Our preoccupation with the current state of readiness of the Canadian Forces left us little opportunity to consider the long-term effects of the shrinking size of the military and the problems being encountered in the search for new recruits. The Committee may examine these issues more closely at some future date.

D. Leadership

The Committee also had only a short glimpse of the issues concerning the development of the leadership skills of Canadian military personnel. This glimpse was provided during the meeting where the Commandant of the Canadian Forces College in Toronto and Dr. Paul Mitchell were the witnesses. However, leadership skills are more important for the readiness of the Forces than the brief moments spent on the issues imply.

Indeed, the Canadian Forces College, in one form or another, has played an important part in the education of senior Canadian military officers since at least 1943. However, during the last five years, there has been even greater emphasis on the education of all officers in the wake of the Somalia inquiry and other developments during the 1990s. In his 1997 report to the Prime Minister on the Leadership and Management of the Canadian Forces, the Minister of National Defence at that time, Doug Young, announced a number of measures including changes in policies to make a university degree as prerequisite for commissioning as an officer, except for those commissioned from the ranks.

The report also called for a review of the Officer Professional Development Program and of the curriculum at the Royal Military College and at the Canadian Forces College where generals and admirals and candidates for these ranks study world developments and defence issues. These reviews were completed and some changes have been made as part of a strategy called Officership 2020. Under this strategy, education is an integral part of the professional development of all officers who are also encouraged to pursue continuing education with financial support. As for the curriculum of the Canadian Forces College, as elsewhere, more attention is being paid to asymmetrical threats.

CONCLUSION

The improvements made to leadership training as well as those made in terms of quality of life and care of the injured affect the most important asset of the Canadian Forces, the men and women who serve in the military. There are a number of concerns about the readiness of units and of pieces of equipment. Furthermore, the long-term effects of cuts in defence spending during the 1990s and only slight increases since then are very worrisome.

However, let there be no doubt about the quality and dedication of the men and women in the Forces. Throughout the study, the Committee heard many comments about the skills and determination of the members of the Forces and about their ability to make the best out of often trying circumstances. The tempo of operations during the last decade has been gruelling by any standards and although it has by no means always been easy, the men and women of the Forces persevered to carry out the missions assigned to them.

If the last ten years are any indication, the road ahead is full of uncertainties and Canada's military personnel will again be placed in harm's way on many occasions in the future to defend Canadian interests and to help restore international stability. There is no doubt that the men and women in the Canadian Forces, whatever the situation, will demonstrate the same readiness as their predecessors to serve their country and the cause of international peace and stability. However, efforts must still be made to improve the readiness of the various units to which they belong and to provide them with the best tools possible so that they can discharge their duty as effectively and as safely as possible.

When we began this study, there was already considerable concern about the state of readiness of the Canadian Forces. The strain of the tempo of peacekeeping operations on our military personnel was already evident and the implications of budget and personnel cuts during the 1990s were becoming clearer. The events of September 11th complicated matters because it highlighted the threat posed by international terrorism not only to world stability, but also to this country's security. Now that homeland defence needs more and more attention, the task of resolving the readiness problems of the Canadian Forces is even more complex.

In this report, we have underlined our concerns and indicated our recommendations for actions that will help resolve these readiness problems. However, this Committee is not the only group or organization which can contribute to the improvement of the capabilities of the Canadian Forces. The military itself will have to continue to explore ways of resolving its problems and to keep pace with international and technological developments. The Committee therefore welcomes the efforts made by the military to determine the best direction to take to meet the challenges of today and tomorrow. The Navy's document, *Leadmark. The Navy's Strategy for 2020*, and the Army's recent statement, *Advancing*

With Purpose. The Army Strategy, indicate their strategy to use their resources as efficiently as possible to fulfil their commitments in a constantly changing world.

However, all Canadians have a stake in seeing Canada's military adjust to the new realities. Our study gave a number of academics, defence analysts, and other commentators, not to mention departmental officials, the opportunity of developing a vision of how Canada's military must retain its core capabilities and shape them to better meet the challenges of the future. However, the broader picture of Canada's place in international affairs and in multinational security efforts also needs to be re-examined and policies have to be updated. As stated in this report, there is a need to review Canada's foreign and defence policies in light of not only the terrorist threat, but also all the other changes happening in the world around us. In short, our report is only one element in the debate on this country's relationship with the rest of the world. However, it also reminds Canadians that much of the influence that we can and do exert on world affairs depends on maintaining and improving our military capabilities.

LIST OF RECOMMENDATIONS

RECOMMENDATION 1

The government increase the annual base budget for the Department of National Defence to between 1.5% to 1.6% of GDP, with the increase to be phased in over the next three years, and continue to move towards the NATO average.

RECOMMENDATION 2

In order for DND to be able to purchase necessary capital equipment, in a timely fashion, the annual shortfalls identified by the Auditor General, be made up as quickly as possible.

RECOMMENDATION 3

Any future defence review have significant parliamentary and public input.

RECOMMENDATION 4

The government review the existing security and intelligence structure with a view to determining whether or not open source and foreign intelligence are being effectively coordinated and to determine whether or not an independent foreign intelligence agency should be established in order to ensure that Canada's vital national interests are being served.

RECOMMENDATION 5

The Department of National Defence put in place a comprehensive system for determining the readiness of the Canadian Forces. This system should set clear and standardized measurements of operational readiness for the CF and its component units.

RECOMMENDATION 6

No notice inspections be carried out, on a regular basis, on the operational readiness of selected commands and units of the Canadian Forces.

RECOMMENDATION 7

Yearly readiness evaluations be done on the CF and its component units and that these be tabled with SCONDVA upon completion.

RECOMMENDATION 8

The Army proceed as quickly as possible with changes in its training regime to ensure that all its units undergo, on a regular basis, the full extent of combat training required to improve and maintain its state of readiness at a high level, including training at the battalion and brigade levels.

RECOMMENDATION 9

The budget for the Land Forces be increased in the next fiscal years to provide sufficient funding to improve its level of readiness, especially with regards to combat training and the replacement of obsolete equipment.

RECOMMENDATION 10

The Department of National Defence maintain its strong commitment to research and development in the defence field and its cooperation with Canadian industries to ensure the design and production of state-of-the art military equipment.

RECOMMENDATION 11

The Department of National Defence undertake a study on the future of JTF2 to determine its long-term requirements in terms of resources, the implications of overseas deployments of some of its personnel, and the advantages and disadvantages of establishing a Canadian special force unit similar to U.S. and U.K. special force units operating in Afghanistan. The Department should communicate to this Committee the general conclusions of this study and its decisions, if any, concerning the need for a special force.

RECOMMENDATION 12

The Department of National Defence make a commitment as quickly as possible to fund Phase 2 of the Land Force Reserve Restructure project so that the revitalization and restructuring of the Army Reserve can proceed as currently planned.

RECOMMENDATION 13

The *National Defence Act* be amended as quickly as possible to provide job protection to Reservists called-up for duty during major emergencies such as conflicts and that efforts be maintained, notably by the Canadian Forces Liaison Council, to encourage employers to give Reservists time off for military exercises with job protection.

RECOMMENDATION 14

The government approve the funding for the acquisition, over the span of a decade, of at least three replenishment ships with roll-on roll-off capabilities to provide a strategic sealift capability for overseas deployments and to replace the two replenishment ships currently in service.

RECOMMENDATION 15

New replenishment and other ships acquired for Canada's Navy be constructed in Canadian shipyards in keeping with efforts to maintain this country's shipbuilding capability and defence industrial base in general.

RECOMMENDATION 16

Canada acquire additional heavy lift transport aircraft and replace older models to ensure the strategic and tactical airlift capacity required to rapidly and effectively deploy the personnel and equipment required for overseas operations.

RECOMMENDATION 17

The project for the replacement of the four Tribal class destroyers with new warships with superior command and control as well as air defence capabilities should proceed.

RECOMMENDATION 18

The mid-life upgrading and refit of the 12 frigates be given a high priority so that Canada's naval capabilities are not allowed to slide into obsolescence as happened so many times in the past.

RECOMMENDATION 19

The process of selecting and acquiring the airframe or basic vehicle and the electronic equipment for the new maritime helicopter project be accelerated to ensure that all of the Sea King helicopters will be replaced by the end of the decade.

RECOMMENDATION 20

No efforts be spared to provide the Sea King helicopters with all the mechanical, electronic, and other equipment necessary to ensure their effective and safe operation until they are withdrawn from service.

RECOMMENDATION 21

All 18 Aurora long-range patrol aircraft be modernized and kept in the Air Force's inventory of aircraft so that they can continue to fulfil all their roles, including search and rescue and surveillance flights in Canada's North.

RECOMMENDATION 22

The Canadian government authorities continue to explore with their U.S. counterparts possible ways of improving the longstanding cooperation between Canada and the U.S. in NORAD and in the defence of North America in general, in light of the establishment by the U.S. of its new Northern Command, and that Parliament be kept informed.

RECOMMENDATION 23

Sufficient numbers of new and replacement transport aircraft be acquired in the near future to meet the domestic needs of Canada, including search and rescue operations, while ensuring the airlift capacity required for foreign deployments, as called for in recommendation 16.

RECOMMENDATION 24

The Department of National Defence, together with the Department of Veterans Affairs, give a high priority and additional funding to programs designed to help members of the Canadian Forces dealing with Post Traumatic Stress Disorder and other psychological/physical injuries following their participation in peacekeeping or combat

missions abroad or in training, rescue, or other operations within Canada in order to maintain a good quality of life for the individuals.

RECOMMENDATION 25

The Department of National Defence and the Department of Veterans Affairs continue extensive research on all the possible causes of what is referred to as the Gulf War Syndrome and any other psychological/physical injuries.

APPENDIX A
LIST OF WITNESSES

Associations and Individuals	Date	Meeting
Department of National Defence	22/03/2001	5
Ken Scott, Colonel, Director, Medical Policy		
Royal Military College of Canada		
Edward A. Ough, Research Associate, Department of Chemistry and Chemical Engineering		
Queen's University	03/04/2001	7
Douglas L. Bland, Professor, Chair, Defence Management Studies Program		
Auditor General of Canada	05/04/2001	8
David Rattray, Assistant Auditor General		
Peter Kasurak, Principal, Audit Operations Branch		
Conference of Defence Associations	26/04/2001	10
Charles H. Belzile, Lieutenant-General (Retired), Chairman		
Alain Pellerin, Colonel (Retired), Executive Director		
Sean Henry, Colonel (Retired), Senior Defence Analyst		
Department of National Defence	03/05/2001	11
Maurice Baril, General, Chief of the Defence Staff		
Daniel G. McNeil, Commodore, Director, Force Planning and Program Coordination		
W.J. Natynczyk, Colonel, Chief of Staff J3 International		
J.J.L.M. Dessureault, Chief Warrant Officer, Canadian Forces		
As Individual	08/05/2001	12
Lewis MacKenzie, Major-General (Retired)		

Associations and Individuals	Date	Meeting
As Individual	10/05/2001	13
Roméo Dallaire, Lieutenant-General (Retired)		
Department of National Defence	15/05/2001	14
Lloyd C. Campbell, Lieutenant-General, Chief of the Air Staff		
Richard Bastien, Major-General, Assistant Chief of Air Staff		
Angus Watt, Colonel, Director, Air Review and Corporate Services		
Gilles Guilbault, Chief Warrant Officer, Air Command		
Department of National Defence	17/05/2001	15
M.K. Jeffery, Lieutenant-General, Chief of the Land Staff		
Stephen Appleton, Colonel, Director, Land Force Readiness		
Marius Dumont, Chief Warrant Officer, Land Force Command		
Department of National Defence	29/05/2001	16
Margaret Purdy, Associate Deputy Minister, Office of Critical Infrastructure Protection and Emergency Preparedness		
James Harlick, Official in charge of the Office of Critical Infrastructure Protection and Emergency Preparedness		
Department of National Defence	31/05/2001	17
G.R. Maddison, Vice-Admiral, Chief of the Maritime Staff		
Jacques Gauvin, Commodore, Director General, Maritime Personnel and Readiness		
R. Lupien, Command Chief Petty Officer		

Associations and Individuals	Date	Meeting
Department of National Defence	05/06/2001	18
Alan Williams, Assistant Deputy Minister, Material		
Larry Lashkevich, Brigadier-General, Director General, Logistics, J4, Material		
As Individual	07/06/2001	19
Susan H. Riordon		
Uranium Medical Research Center		
Mary Ripley-Guzman, President of the Board of Directors		
Department of National Defence	04/10/2001	22
The Honourable Art Eggleton, Minister		
G.R. Maddison, Vice-Admiral, Deputy Chief of the Defence Staff		
Department of National Defence	16/10/2001	23
Raymond R. Henault, General, Chief of the Defence Staff		
George E.C. Macdonald, Lieutenant-General, Vice-Chief of the Defence Staff		
G.R. Maddison, Vice-Admiral, Deputy Chief of the Defence Staff		
Department of National Defence	18/10/2001	24
Margaret Purdy, Associate Deputy Minister, Office of Critical Infrastructure Protection and Emergency Preparedness		
James Harlick, Assistant Deputy Minister, Office of Critical Infrastructure Protection and Emergency Preparedness		
As Individual	23/10/2001	25
Anthony Forster, Independent Research Intelligence Analyst		

Associations and Individuals	Date	Meeting
MacKenzie Institute	25/10/2001	26
John C. Thompson, Director		
Department of National Defence	29/10/2001	27
Keith Coulter, Chief, Communications Security Establishment		
David Akman, Director, Legal Services		
Barbara Gibbons, Director General, Corporate Services		
Simon Gauthier, Deputy Chief, Information Technology Security		
Department of National Defence	30/10/2001	28
George E.C. Macdonald, Lieutenant-General, Vice-Chief of the Defence Staff		
Daniel G. McNeil, Commodore, Director, Force Planning and Program Coordination		
John Turner, Colonel, Director, Defence Analysis		
University of New Brunswick	01/11/2001	29
David A. Charters, Professor, Department of Conflict Studies		
Conference of Defence Associations	05/11/2001	30
Charles H. Belzile, Lieutenant-General (Retired), Chairman		
Alain Pellerin, Colonel (Retired), Executive Director		
Sean Henry, Colonel (Retired), Senior Defence Analyst		
Canadian Defence Industries Association		
Patrick O'Donnell, Lieutenant-General (Retired), President		
David Stapley, Executive Vice-President		

Associations and Individuals	Date	Meeting
Department of National Defence	06/11/2001	32
G.R. Maddison, Vice-Admiral, Deputy Chief of Defence Staff		
J.Y.J.C. Forcier, Commodore, Chief of Staff J3, Director General, Military Plans and Operations		
Patricia Samson, Director General, Intelligence		
Doug Palmer, Major, Project Director, “Clothe the Soldier”		
Department of National Defence	08/11/2001	33
Christian Couture, Lieutenant-General, Assistant Deputy Minister, Human Resources — Military		
Terry Hearn, Director General, Military Human Resources Policy and Planning		
Scott Cameron, Colonel, Surgeon General		
International Association of Fire Fighters		
Sean P. McManus, Assistant to the General President		
Dalhousie University	19/11/2001	34
Denis Stairs, Professor, Department of Political Science		
Canadian Institute for Strategic Studies	20/11/2001	35
David Rudd, Executive Director		
Council for Canadian Security in the 21st Century	22/11/2001	36
Jack Granatstein, Professor, Co-Chairman		
University of Calgary		
David Bercuson, Professor, Director, Centre for Military and Strategic Studies		
Atlantic Council of Canada	27/11/2001	37
Brian S. MacDonald, Colonel (Retired), President		

Associations and Individuals	Date	Meeting
As Individual	05/02/2001	41
Clive J. Addy, Major-General (Retired)		
Department of National Defence	07/02/2002	42
André Marin, Ombudsman		
Christian Couture, Lieutenant-General, Assistant Deputy Minister, Human Resources, Military		
Lise Mathieu, Brigadier-General, Director General, Health Services		
As Individual		
Roméo Dallaire, Lieutenant-General (Retired)		
Department of National Defence	19/02/2002	43
Pat Dowsett, Colonel, Program Manager, Future Strategic Airlift and Strategic Air-to-Air Refuelling		
Department of National Defence	26/02/2002	44
J.J.R. Gagnon, Brigadier-General, Commandant, Canadian Forces College		
P.T. Mitchell, Professor, Director of Academics, Canadian Forces College		
Department of National Defence	28/02/2002	45
Raymond Zuliani, Rear-Admiral, Chief of Reserves and Cadets		
Paul R. Hussey, Brigadier-General, Director General, Reserves and Cadets		
Jennifer J. Bennett, Captain (N), Director of Reserves		
Department of National Defence	12/03/2002	46
Ron Buck, Vice-Admiral, Chief of Maritime Staff		
Jacques Gauvin, Commodore, Assistant Chief of the Maritime Staff		
Serge Joncas, Chief Petty Officer 1st Class, Maritime Command		

Associations and Individuals	Date	Meeting
Airbus Military Company	14/03/2002	47
Claude Lafrance, President		
Richard Thompson, Commercial Director		
Lockheed Martin Aeronautics Company		
The Honourable Jean-Jacques Blais, P.C., Q.C.		
Peter E. Simmons, Communications Director, Air Mobility Programs		
The Boeing Company		
Allan DeQuetteville, Lieutenant-General (Retired), Vice-President, Canada		
Department of National Defence	19/03/2002	48
M.K. Jeffery, Lieutenant-General, Chief of the Land Staff		
E.S. Fitch, Major-General, Project Manager, Land Force Reserve Restructure		
Herbert Michael Petras, Brigadier-General, Director General, Land Reserve		
The Naval Officers Association of Canada	20/03/2002	49
Russell D. Moore, Rear-Admiral (Retired), President		
Department of National Defence	09/04/2002	50
Lloyd C. Campbell, Lieutenant-General, Chief of the Air Staff		
Daniel Gilbert, Chief Warrant Officer, Air Command		
Doug Langton, Brigadier-General, Director General, Air Force Development		
Royal Military College of Canada	30/04/2002	52
Joel J. Sokolsky, Professor, Dean of Arts		

APPENDIX B
LIST OF BRIEFS

Clive J. Addy, Major-General (Retired)

Airbus Military Company

Atlantic Council of Canada

Auditor General of Canada

Conference of Defence Associations

Council for Canadian Security in the 21st Century

Dalhousie University

Department of National Defence

International Association of Fire Fighters

Lockheed Martin Aeronautics Company

MacKenzie Institute

NBC Team Ltd.

Queen's University

Susan H. Riordon

Royal Military College of Canada

The Boeing Company

The Naval Officers Association of Canada

The ZETA Group Inc.

University of Calgary

University of New Brunswick

Uranium Medical Research Center

REQUEST FOR GOVERNMENT RESPONSE

In accordance with Standing Order 109, the Committee requests that the government provide a comprehensive response to the report within 120 days.

A copy of the relevant *Minutes of Proceedings* of the Standing Committee on National Defence and Veterans Affairs (*Meetings Nos 5, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50 and 52*) is tabled.

Respectfully submitted,

David Pratt, M.P.
Chair

DISSENTING REPORT OF THE BLOC QUÉBÉCOIS
REGARDING THE FINAL REPORT OF THE STANDING COMMITTEE ON NATIONAL DEFENCE AND VETERANS AFFAIRS

FACING OUR RESPONSIBILITIES
THE STATE OF READINESS OF THE CANADIAN FORCES

THE BLOC QUÉBÉCOIS IS OPPOSED TO THIS REPORT BECAUSE:

- Before recommending that the defence budget be increased by 33% over three years, an extensive public debate should take place;
- Calculating defence spending based on a percentage of GDP is not recommended;
- Such an increase in defence spending should not precede the review of the defence policy announced by the Minister for this year;
- Although certain needs do exist, choices must be made following an extensive public debate.

For some time now, the Bloc Québécois has recommended a review of Canada's defence policy. It goes without saying that this review must precede any massive reinvestment in the Canadian Forces that may take place in the future. General defence strategies must be reviewed and important choices must be made.

In the report of the Standing Committee on National Defence and Veterans Affairs, the first recommendation states that, "The Government [should] increase the annual base budget for the Department of National Defence to between 1.5% to 1.6% of GDP, with the increase to be phased in over the next three years, and continue to move towards the NATO average."[1] Moreover, in the 2002-2003 Estimates — Part III, the government admits that "Defence cannot and perhaps should not sustain the current mix of Canadian Forces capabilities and levels of activity over the long term"[2] and that, given the current context, "the issue is not just about money — it is about choices."

Until the principal strategies have been reviewed, it will be difficult to favour one sector of the Canadian Forces over another. Canada does not have the financial or human resources that the United States has, and cannot aspire to the same level of versatility for its Armed Forces.

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1 *The State of Readiness of the Canadian Forces: Facing our Responsibility*, Report of the Standing Committee on National Defence and Veterans Affairs, May 2002, p. 83 (English version).

2 *2002-2003 Estimates — Part III — Report on Plans and Priorities*, Government of Canada, p. 13.

EXTENSIVE PUBLIC CONSULTATION IS NEEDED

It is essential that the public take part in debates on the use of public funds in the military sector. These questions must not be left solely to a few experts.

One must not forget that additional resources were allocated to the defence sector in the last budget, that several projects to modernize equipment are currently under way and that very substantial amounts of money have been allocated to these projects.

It should also be pointed out that any defence budget measure that is based on a percentage of GDP will be approximate and fluctuating. In the last decade, changes to national accounting practices in the United States have resulted in an increase in GDP. Moreover, not all NATO countries invest the same percentage of GDP in defence spending. A spending level based on GDP and, in particular, on the average for NATO countries, would mean that, if one country decided to significantly increase its defence spending, Canada would have to follow suit. Turkey, for example, allocates approximately 6% of its GDP to defence spending. This illustrates the arbitrariness and inappropriateness of establishing a level of defence spending based on a percentage of GDP.[3]

As we learn that the Canadian government is negotiating possible participation in the Unites States' new continental defence structure, other questions come to mind. Should Canada pronounce itself in favour of the U.S. missile defence system? Will it set aside certain of its cherished principles and initiatives, such as the non-weaponization of space, its significant involvement in international missions, or treaties such as the treaty on anti-personnel mines? The matter of the costs associated with increased continental collaboration with the United States must also be considered, and Canada must weigh the strategic nature of each decision made in terms of defence capabilities. Canada must determine where it is going before it can decide on how to get there. A number of the decisions to be made in the near future could have significant consequences.

NON-COSTED RECOMMENDATIONS

In its final report, the Standing Committee on National Defence and Veterans Affairs made a number of recommendations that would have a significant budgetary impact in the short and medium term.

The first recommendation alone would necessitate the injection of close to $6 billion, and more than a dozen other recommendations would also involve the injection of addition public funds for the purchase of aircraft and vessels, the modernization of equipment and additional funding for various programs.

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[3] The underlining is ours.

Added to these are other recommendations that do not directly call for an injection of public funds, but that would require spending if they are implemented.

At present, it is difficult to calculate how much all of these recommendations would cost; however, it is quite obvious that they add up to several billion dollars! Given that we are still waiting for a review of the defence policy, such massive investments could prove that decisions at the Department of National Defence continue to be made on a piecemeal basis.

Although we are not opposed to purchasing and modernizing this equipment based on the 1994 defence policy, it is important to ask the following questions: Do the policies and priorities stated in the *1994 White Paper on Defence* still stand, and what are the real priorities that should be contained in the new defence policy?

While it does not deny the fact that significant needs really do exist in the Canadian Forces, the Bloc Québécois is opposed to any injection of additional public funds before extensive public consultations have been carried out. If it supported this report, the Bloc Québécois would be stating that it is in favour of the current policy of the Department of National Defence, which, as we have already mentioned, not only makes piecemeal decisions but also makes these decisions without consultation and without a true long-term vision.

The most obvious example is, without a doubt, the 1991 purchase of a military satellite communications system that cost taxpayers $174 million, has never been used and continues to sit in a Canadian Armed Forces storage facility. Clearly, these funds could have been put to better use. A real long-term vision and an effective administrative control body for major projects would have revealed that Canada did not really need such a communications system and that a less costly system could be found, as was noted along the way.

Another example is the purchase of four submarines from Great Britain in 1998, at a cost of $610 million plus an additional $140 million for their refit. The first submarine developed a leak during a sea trial (which was attributed to a navigational incident by some sources). The second has spent more than a year dry-docked in Halifax without ever sailing. Ironically, it was recently discovered that this submarine has a dent in its hull that could cause problems when the submarines dives! The other two submarines have not yet been delivered and are still in Great Britain.

If the federal government had had a long-term vision and had planned its acquisitions, it would not have wasted $750 million in public funds for submarines that even the Australian government would not touch!

By revising the *1994 White Book* and implementing an extensive public consultation process, we would be able to establish a clearer long-term vision for the Canadian Forces.

We would be able to set real priorities for the Department of National Defence, and would have a clear picture of where the money should be spent and how much should really be spent. Until this exercise has been conducted, the possibility remains that taxpayers' money will be wasted on equipment that the Department of National Defence does not need or that may be useless, following the upcoming review of Canada's defence policy.

POSITIVE ASPECTS NONETHELESS

In spite of the financial issues identified with respect to this report, the Bloc Québécois would like to acknowledge the outstanding effort and work of the Standing Committee on National Defence and Veterans Affairs. For almost a year, the Committee heard dozens of witnesses and prepared four interim reports on the state of readiness of the Canadian Forces.

Although several of the report's recommendations pertain to military equipment as such, others pertain to improving the quality of life of military personnel and endeavour to remedy existing shortcomings. For example, the report contains a recommendation regarding job protection for reservists called up during emergency situations. This recommendation aims to remedy the current situation, where the reservists who have been called up are not guaranteed that they will still have their jobs upon their return.

The Bloc Québécois therefore urges the government to adopt this recommendation and amend the *National Defence Act* as quickly as possible, independently from Bill C-55 on public safety, given that the above-mentioned situation is completely unacceptable.

The initiatives recommended at the end of the report have the full support of the Bloc Québécois. Measures to assist Canadian Forces members dealing with post-traumatic stress disorder and other health problems are addressed in the recommendations. The quality of life of military families must be taken seriously and the support provided must reflect the magnitude of the responsibilities shouldered by members of the Canadian Forces.

CONCLUSION

The Bloc Québécois would like to reiterate the importance of redefining Canada's defence policy before any additional funds are spent on the Armed Forces. Better yet, the Bloc believes that the new defence policy should be coordinated with the review of Canada's foreign policy. International trends show that a country's foreign policy shapes its military policy, and not the opposite.

The Bloc Québécois believes that the new White Paper on defence must be the subject of extensive public consultations, with a view to identifying the government's true priorities in terms of national defence. Furthermore, it is essential that Canada redefine the

role of the Canadian forces. In the current context, and as indicated by a number of witnesses who appeared before the Committee, it would be difficult to sustain the capabilities and levels of activity of the Canadian Forces over the long term. There are choices to be made, and it is important that the government understand that these choices must follow a thorough review of Canada's military policy BEFORE any public funds are injected into sectors that may not reflect current needs or taxpayers' priorities.

MINUTES OF PROCEEDINGS

Tuesday, May 21, 2002
(*Meeting No. 56*)

The Standing Committee on National Defence and Veterans Affairs met *in camera* at 11:15 a.m. this day, in Room 307, West Block, the Chair, David Pratt, presiding.

Members of the Committee present: Claude Bachand, Colleen Beaumier, Leon Benoit, Robert Bertrand, Cheryl Gallant, David Pratt, David Price, Peter Stoffer, Bob Wood.

Acting Members present: Yvon Charbonneau for Colleen Beaumier, Larry Bagnell for Stan Dromisky, Judi Longfield for Carmen Provenzano.

In attendance: *From the Parliamentary Research Branch of the Library of Parliament*: Wolf Koerner and Michel Rossignol, research officers.

Pursuant to Standing Order 108(2), the Committee resumed consideration of its draft report on the state of readiness of the Canadian Forces.

It was agreed to, on division, — That the draft report as amended be concurred in as the Fourth Report of the Committee and that the Chair be authorized to present it to the House at the earliest possibility.

It was agreed, — That, notwithstanding Standing Order 109, the Committee request that the government table a comprehensive response to this report within one hundred and twenty (120) days.

It was agreed, — That the Chair be authorized to make such typographical and editorial changes as may be necessary without changing the substance of the report to the House.

It was agreed to, on division, — That the Chair be authorized to issue a press release and to hold a press conference with those members of the Committee supporting the majority report.

It was agreed, — That the Committee authorize the printing of dissenting opinions as an

appendix to this report, immediately following the signature of the Chair.

It was agreed, — That any dissenting opinions attached to the report be limited to not more than 7 pages.

It was agreed, — That any dissenting opinions, submitted in both official languages, be received by the Clerk no later than Thursday, May 23 at 5:00 p.m..

At 12:20 p.m., the Committee adjourned to the call of the Chair.

Diane Deschamps
Clerk of the Committee