



House of Commons
CANADA

Standing Committee on National Defence

NDDN • NUMBER 038 • 1st SESSION • 39th PARLIAMENT

EVIDENCE

Thursday, February 22, 2007

—
Chair

Mr. Rick Casson

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• (0905)

[English]

The Vice-Chair (Mr. John Cannis (Scarborough Centre, Lib.)): I would like to call this meeting to order.

Pursuant to Standing Order 108(2) and the motion adopted Wednesday, December 13, 2006, we are carrying out our study on the procurement process, including the tendering process and the establishment of capability requirements.

I'd like to begin by welcoming the guests we have with us today. There are two sections to our meeting this morning, one from nine to ten and the other from ten to eleven, so we have to be a little bit strict again with time. The chair has done a tremendous job so far.

Go ahead, Monsieur Coderre.

[Translation]

Hon. Denis Coderre (Bourassa, Lib.): Thank you, Mr. Chairman.

Of course we want to hear from our witnesses and we do not want to waste any time, but just before we begin, I would like to introduce a motion. Given that we are moving ahead quickly in this process and that in my opinion many questions remain unanswered, I would like to introduce a motion calling for the Auditor General to appear before us, so that she may give her opinion as to the procurement process, specifically with respect to the ACAN, the Advance Contract Award Notice, and on other issues.

So I'm introducing a very simple motion asking that we may call the Auditor General to appear before our Standing Committee on National Defence.

[English]

The Vice-Chair (Mr. John Cannis): Ms. Gallant, do you have a comment?

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): I believe it is customary in this committee to have 48 hours' notice. I did not receive any notice of motion.

The Vice-Chair (Mr. John Cannis): I have been advised by the clerk that based on the study we are doing, it is related, and based on the guidelines, it is permitted. I could have the clerk pass this around now or later, but according to the guidelines it is permitted to be accepted.

Go ahead, Mr. Hiebert.

Mr. Russ Hiebert (South Surrey—White Rock—Cloverdale, CPC): Are you expecting the committee to make a decision at this moment, or will there be further debate later on?

The Vice-Chair (Mr. John Cannis): Normal rules ask that once a motion is accepted based on the rules, we have to make a decision on it.

We could deal with this later, at the end of the committee meeting and with the benefit of having our witnesses here, or we could deal with it right now.

Hon. Denis Coderre: Mr. Chair, I don't believe we should have a debate on that. Is the government telling us that it's against having the Auditor General come here to give her view on procurement? We should just call the question and vote directly on it. It's another important witness, and we don't have to lose time on that.

[Translation]

She is a highly qualified person with great integrity, who will help us shed light on this process. I can't see why we would have a debate, or a discussion on this type of witness. She is an officer of Parliament. So I would simply ask for the vote, Mr. Chairman, so that the Auditor General could meet with us. I don't think we need a debate on this subject.

[English]

The Vice-Chair (Mr. John Cannis): It seems as though we are in debate.

[Translation]

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Chairman, my colleague's motion seems interesting. However, there's one thing I'd like to know. We did get an opportunity to submit a list of witnesses at the beginning of our study. I would like to understand why he wants to hear from the Auditor General now rather than at some other time.

Since our witnesses are here, perhaps we could give Mr. Coderre the opportunity to better explain his motion once we have heard from the witnesses, out of respect for the process we've established.

An hon. member: I call for the vote.

[English]

The Vice-Chair (Mr. John Cannis): Mr. McGuire is next.

Hon. Joe McGuire (Egmont, Lib.): This request does not preclude getting witnesses as we go along. The chair and the clerk said at the beginning that we could add or detract from this list as we go, so there is no real need to delay inviting the Auditor General after all the other witnesses are here.

• (0910)

The Vice-Chair (Mr. John Cannis): I'll permit two more comments; then we can wrap it up.

Go ahead, Mr. Hiebert.

Mr. Russ Hiebert: Mr. Chair, unlike the presumption of Mr. Coderre, the government hasn't taken a position on whether we would want to hear from the Auditor General. I simply wanted to know if we were having an opportunity to debate this issue now.

In light of the fact that we're having this debate, I do recall that this committee expressed concerns about extending the timeline for witnesses when we first set up the calendar for this particular topic. My concern would be that this would extend the calendar, extend the period of time that's been set aside to hear witnesses. I would ask the clerk that we not extend the calendar if this motion does proceed, but extend the current sitting of a session. If a particular witness we were seeking is not available, the Auditor General could replace that witness, but we should not extend the time.

The Vice-Chair (Mr. John Cannis): So if I understand this correctly, at a given sitting we'll just go beyond the normal hours. Is that what you're saying?

Mr. Russ Hiebert: That's correct.

The Vice-Chair (Mr. John Cannis): It's pending room availability as well.

Is there one more comment?

[Translation]

Hon. Denis Coderre: Let's put the question.

[English]

The Vice-Chair (Mr. John Cannis): We'll call the question on inviting the Auditor General, as the guidelines require us to do. We'll have a recorded vote.

Mr. Russ Hiebert: I think it's unanimous, Mr. Chair.

The Vice-Chair (Mr. John Cannis): Okay, great, excellent. Thank you for that.

(Motion agreed to)

The Vice-Chair (Mr. John Cannis): We'll just move on, then.

I'd like to welcome our guests. We have with us today, from the Department of National Defence, Vice-Admiral Robertson, chief of the maritime staff; Commodore Greenwood, director general, maritime equipment program management; and from Public Works and Government Services Canada, we have Mr. Terry Williston, director general of land, aerospace, and marine systems and major project sectors. We also have with us Mr. Edward Lam, director of the joint support ship project.

I'll just introduce our guests for the second session as well, if I may. Also from the Department of National Defence, we have Lieutenant General Leslie, chief of the land staff. We have with us Colonel Riffou, director of land requirements. We have with us Chief Warrant Officer Lacroix, land forces chief warrant officer. From Public Works and Government Services Canada, we have, as I mentioned earlier, Mr. Terry Williston, director general of land, aerospace, and marine systems.

I'd like to welcome you, gentlemen, and thank you for being with us today.

I think the normal practice when I was chairing was that the witnesses spoke first. Will all four of you be speaking, if I may ask? I just need to know for timing purposes.

Vice-Admiral D. Robertson (Chief of the Maritime Staff, Department of National Defence): Do you mean in terms of an opening statement? I believe I'm the only one with an opening comment.

The Vice-Chair (Mr. John Cannis): Good, so we'll allow ten minutes, then, sir, for your presentation, and then we'll start our normal practice with questions.

The floor is yours, sir.

VAdm D. Robertson: Thanks very much, Mr. Chairman and ladies and gentlemen.

Thanks for providing us an opportunity to come here today and speak to you. Certainly we were encouraged by the active role that the committee is taking in the study of matters of national defence, and we look forward to this discussion of maritime procurement. I'm very pleased to be here with colleagues from Public Works, and with Commodore Greenwood, who I would characterize simply as the navy's engineer.

[Translation]

As Chief of the maritime staff and commander of Canada's navy, I am responsible for providing maritime forces to operational commanders who employ maritime power. This is what we call force generation, and it consists of providing commanders not only maritime forces that are equipped and trained for any mission, but also in establishing the policies, standards and doctrine that will translate into tactical excellence in maritime operations. This includes the setting of requirements for new or replacement capabilities that will ensure the continuing success of maritime operations.

[English]

The role military requirements play at the beginning of the procurement business has been introduced by previous witnesses, and I'd be pleased to discuss this further during the Q and A period. I'd like to focus my comments on those things that tend to make maritime procurement unique.

• (0915)

[Translation]

The uniqueness of maritime procurement is attributable to the cost of maritime platforms, due to their complexity, and the timeframes over which they are acquired and employed. Delivering new or replacement capabilities takes longer than in the other environments because of the nature of warship design and construction—since warships are the most complex platforms the Canadian forces own.

[English]

Each of our warships is a self-contained entity that shouldn't be thought of as the equivalent of a fighter aircraft or a tank. In fact, as some of you have seen first-hand in visiting our ships, as a tactical platform each warship is more like parts of an army battle group or a flight of combat aircraft, as well as parts of the many assets that deploy and sustain those capabilities in theatre—strategic and tactical lift, combat support, combat service support, long-haul communications, intelligence, surveillance, force protection, and so on and so on—all rolled into one platform.

Virtually all these war-fighting and enabling capabilities are designed into warships from the keel up, and it's these organic and highly integrated capabilities that permit ships to operate globally for months at a time with the inherent flexibility to accomplish a range of different missions when deployed, as well as to seamlessly integrate into larger maritime formations when that's required.

All of this capability in a single package comes at an upfront cost that tends to create a little bit of a sticker shock among policy-makers, and that tends to delay maritime force recapitalization.

What's not often appreciated is the fact that despite the initial costs of maritime forces, the navy is the least expensive of the three services. This is the case when viewed across the entirety of the defence services program, which includes not only the capital costs for combat fleets, but also their ongoing sustainment costs, enabling infrastructure, research and development, and especially their personnel costs, and so on.

To that fact needs to be added the longevity of naval platforms and the timeframe measured in decades over which the initial capital investment in warships achieves effect. After all, the Iroquois-class destroyers were designed in the 1960s, commissioned in the 1970s, updated in the 1990s, and are still performing exceptionally well as both air defence platforms and command and control ships for the Canadian Forces, as well as for the NATO alliance and coalition forces.

And I have little doubt that any project to replace the Iroquois-class and Halifax-class will be very expensive, but our experience is that the replacement ships will serve from late in the next decade through until the 2050s or 2060s.

Nevertheless, the upfront costs of building or modernizing a class of ships is the largest challenge in military procurement that naval planners confront. That challenge has certainly made it difficult to proceed with capability replacement or creation. Even as the last of the Halifax-class frigates was delivered in 1996, we dealt departmentally with several project deferrals or cancellations.

[Translation]

The real consequence of those deferral and cancellation decisions has been to increase the strategic risk that we will have diminished output in the middle of the next decade. Simply put, we will have fewer hulls available to respond to contingencies as we begin to modernize the Halifax class frigates.

[English]

Moreover, the later we introduce future surface combatants to replace our current ships, the greater may be the need to introduce

them in a relatively compressed period of time, and that means we potentially miss an opportunity to break the boom-and-bust cycle that's long characterized naval procurement.

Previous witnesses have stated that the replacement of a warship class is one of those instances that favours a design-build approach to procurement, and there are a number of reasons for this.

First, ships are built in much smaller numbers than other fighting fleets, such as vehicles or aircraft. As a result, shipbuilding remains largely a made-to-order industry, despite the worldwide consolidation of maritime defence industries.

Second, national requirements have a major impact by virtue of the highly integrated nature of warship design. Embedded into ship design is the entire structure and philosophy of a navy's establishment, the concept of employment, manning, training and education, and maintenance, as well as conditions of service.

[Translation]

The design-build approach is exemplified by the Joint Support Ship project. As previous defence industry witnesses have noted, JSS has been more open during the pre-definition and definition phases than previous major warship activities. The project office is decidedly smaller than was the case for the Halifax class project, and it has made greater use of contracted engineering design support than was the case in the past. Commander Greenwood will be pleased to elaborate on these points in the questions and answers to follow.

• (0920)

[English]

Ladies and gentlemen, with that, I'd merely emphasize that our ability to make long-term achievable and affordable plans over the life cycles typical for maritime forces creates the predictability that allows us to optimize our force planning, generation, and employment in the long term.

Mr. Chairman, thanks for the opportunity to make remarks. I'd be happy to take your questions.

The Vice-Chair (Mr. John Cannis): Thank you very much, Vice-Admiral.

We'll go to our first questioner, Monsieur Coderre.

[Translation]

Hon. Denis Coderre: Thank you, Mr. Chairman.

Vice-admiral, thank you for being here today. Welcome to our committee. I have several questions to ask you, including one that may seem more policy-oriented.

We know that given climate change and the configuration of our country—our geography dictates our policy—we necessarily need a stronger Arctic policy.

As far as you're concerned, do you think you need to focus more on domestic needs than international needs? You are there either way to provide support, we know that, but in light of your forces' needs, do you not think we should focus a little bit more on the navy, to give you a bit more budget or redesign the Canadian Forces' budget overall to give a little more to the navy, given the fact that you have an important role to play from the geopolitical and geographical standpoint?

[*English*]

VAdm D. Robertson: If I understand the question broadly, it's simply one of allocation of resources. Sailors are always happy to get more resources; previous folks have always noted that sailors never turn money back.

Hon. Denis Coderre: That's a very good answer.

VAdm D. Robertson: It is always a question of balance in building an armed force. What the last few of years since 9/11 have shown us is the absolute need to have balanced capability across an armed force, and not in any one area.

Hon. Denis Coderre: Do you feel you're the poor cousins of the Canadian Forces? We Liberals believed, for example, that we wouldn't get involved in the C-17s. We felt we should have rented instead of spending \$3.4 billion.

Because there's some domestic necessity, specifically I think we should invest more in the navy. It's all about reallocation, of course, but don't you think that in terms of what you live with in the field right now, you need more capacity than what you have, and that maybe we should internally put more emphasis on the navy than maybe the other forces?

VAdm D. Robertson: Of course, like either of my two colleagues from the air force or the army, I would welcome additional resources for a variety of undertakings. Like any department, however, we have budgets to work within.

I'd go back to the fundamental point. When it comes back to building an armed force, that's what one has to do, rather than building an army, navy, or air force. The conception has to be about that balance.

Hon. Denis Coderre: Thank you.

General Hillier, who is very outspoken, as we know, has said that requirements are like lines in the sand in this case. He has said what he wants, and he includes ships, airplanes, and helicopters.

How do you manage your own requirements? Do you give him a list of your needs? How does it work? What's the relationship with the CDS in the chain of command? How do you define your own requirements, your needs at the navy level, inside that chain?

VAdm D. Robertson: At the navy level?

Hon. Denis Coderre: At your level.

VAdm D. Robertson: We look ahead at the future security environment, based on the work that we're doing today. Over the past year, we've had ships deployed with the alliance in the Mediterranean and off the coast of Africa. We have a ship that's just coming back from doing maritime security work with coalition forces in the Persian Gulf region. From all of those deployments, from our exercises, we make observations about where we think we

should be doing things differently and where we need new capabilities for the future.

We also focus on what for most would seem to be the very long term, because naval capability is only delivered over a period of eight to ten years. We are always looking at what is likely to happen a decade to two decades from now. In terms of what can be put into warships or what new warships might look like, 2017 is almost tomorrow. In that regard, we watch what's going on around the world.

A decade from now, I would expect to see a variety of technological advances in the hands of coastal nations around the world, and those will require us to adapt over the coming decade. There would be several great examples, and I think the best would be the attack that Hezbollah put in against an Israeli frigate last summer. That shows the proliferation of capabilities to a terrorist organization.

A decade from now, we expect that terrorist organizations won't simply have a missile that travels at Mach 1; anyone could expect that surface missiles would be proliferated to travel at something of the order of Mach 2 or greater. We have to be able to work in the littoral region, and we have to be able to defend ourselves against that kind of capability.

• (0925)

Hon. Denis Coderre: Mr. Williston, when I compare what's going on at the naval level to the army and.... Well, let's take the navy versus the air force. The naval level is really open and transparent. You don't have any ACANs. The industry knows in advance. By 2005 they were aware of the statement of operational requirements.

Why the difference between the air force and the navy? I would say the naval force is truly a model of transparent competition. Do you have the same definition of "transparency" at the air force level as they have at the naval end because they have a direct link with the industry?

Mr. Terry Williston (Director General, Land, Aerospace and Marine Systems and Major Projects Sector, Public Works and Government Services Canada): I would personally think the level of transparency is relatively equal in all arms of the armed services.

One thing I would comment on is the comment that was made about the length of time it takes to develop naval requirements. I heard that 2015 is tomorrow, so I think there's a longer focus or a longer look to the future for those kinds of requirements. There's much more preliminary work done in the navy, perhaps, than in the other arms. From a procurement standpoint, though, I would think we offer the same level of transparency for all of the procurements we're attempting to proceed with.

The Vice-Chair (Mr. John Cannis): Thank you, Mr. Williston.

We'll go onto Monsieur Bachand.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): Thank you, Mr. Chairman. Welcome to the witnesses appearing before us this morning.

My first question is for Admiral Robertson. I don't know how you would proceed to weigh the value of the different projects. The government announced six projects costing a total of \$20 billion. Of this amount, \$16 billion are for the air force, \$3 billion for the maritime forces and \$1 billion for the land forces.

First, I would like to know what your reaction is to this. Do you believe the air force has such pressing needs that it requires 70% of the total amount allocated? Only 15% of the total amount would be allocated to the maritime forces. Do you support the breakdown of this amount between the three army corps in other words the marine, air and land forces?

[English]

VAdm D. Robertson: If you were to go back over the last thirty years, and indeed if you were to forecast ahead over perhaps twenty or thirty years, you would see that the percentages allocated year by year fluctuate greatly, but that they tend to be relatively constant over time.

I'll give you an example. In the early 1990s, a huge investment was made in the navy that is continuing to pay off today, and that was the Halifax-class frigates, which were an upgrade over the Iroquois class. At that point, those two major crown investments were consuming a large portion of the available capital money, and there were people in the army and the air force who might have encouraged the same question to be asked about why the navy was being allowed to hog all of the armed forces money. So this does tend to go in cycles.

In the early 1990s, that was a function of the rust-out of the ships that we built in the 1950s and 1960s. We needed to make great change quickly. That was appreciated, so there was a reinvestment made.

That's not where we are today with the maritime forces, but there will need to be a reinvestment made in coming years. Again, it comes down to a question of balance. At this point, the air force absolutely needs reinvestment, and there will be a time to make a significant reinvestment in the navy in years to come.

• (0930)

[Translation]

Mr. Claude Bachand: So, you say that over a prolonged period, it tends to even out.

I'd like to hear your opinion as to the importance of maintaining the supply vessel fleet. I'll give you an example. What would happen if, to pay for the aircraft, we had to decommission supply ships? Would you agree to that? That is the rumour we are hearing increasingly. According to me, if supply ships have to accompany a task force of ships and that we no longer have supply ships, we will have to ask for the Americans' help. If Americans are busy elsewhere, our ships and the task force will not be put to sea.

Would you agree to the department perhaps saying that supply ships would have to remain tied up at the dock until ordered otherwise because we've had to pay for the aircraft and there's no money left? What would your reaction to that be?

[English]

VAdm D. Robertson: That question is based on perhaps an incorrect understanding of how the money is allocated. I should explain that the purchase of aircraft is capital money funded through one stream, as opposed to the ongoing maintenance of our ships, which is the ongoing O and M moneys that are given to the materiel group and given to the naval forces. I certainly expect that, for the reasons you cited—the importance of having those ships—we'll keep them running for several years to come.

At some period prior to receiving the first of the joint support ships, there will be a logical point when it will make sense to do what we have always done in the past. We typically decommission a serving ship some eighteen months or less prior to the commissioning of a new ship. We then take the crew and put them through all of the training required to operate the new vessel—in this case the joint support ship—so that the ship is effective on the first day.

[Translation]

Mr. Claude Bachand: All right. I will now move to Mr. Williston.

Mr. Williston, Dan Ross told us that the new way of operating, with respect to procurement within government, involves bringing together people from National Defence, Public Works, Industry and Treasury Board.

Do you agree with that?

[English]

Mr. Terry Williston: Yes, I agree.

[Translation]

Mr. Claude Bachand: All right. In that case, you'll have to try to explain to me how you set your priorities. As I stated earlier on, the minister announced six programs and I would imagine this committee met to discuss the matter. So, the Defence department decided on the purchases to be carried out under these six programs. How did you set these priorities? Why buy C-17s first? Why buy the others at the end? Why are there adjudication contracts for some? Why letters of intent for others? Could you try to briefly explain this to me, unfortunately I have very little time left.

• (0935)

[English]

Mr. Terry Williston: The interdepartmental committees that I had mentioned before talk about projects specifically. So once a project has been approved, we meet as a group, as a senior project advisory committee, to determine the requirements for that particular project, the procurement strategy, and all the other parameters surrounding it.

When it comes to priority-setting at the departmental level, that's for the Department of National Defence to do and to answer to.

The Vice-Chair (Mr. John Cannis): Merci.

Ms. Black.

Ms. Dawn Black (New Westminster—Coquitlam, NDP): Thank you, Mr. Chair.

Thank you for appearing at our committee today. I think you went through quite extensively the cycle of renewal of ships, and that was helpful.

A lot of people have suggested that we in Canada should make a long-term commitment to a steady production of ships, every 20 years or so. How do you, or the Canadian navy, see domestic shipbuilding capacity? Do you see that as a strategic asset in Canada?

Vadm D. Robertson: I'll start, and then I'll ask Commander Greenwood to add slightly more.

Absolutely, we need a domestic shipbuilding industry for construction and ongoing maintenance of our vessels, and I think the same applies to the other government fleets. So the degree to which we can provide predictability certainly helps the shipbuilding industry.

If I use the example of a joint support ship, the openness and transparency that has characterized the project has allowed the industry to stay ahead of our requirement and to make sure they have the capacity ready when the time comes to take on the job.

Certainly one of the things that is offered by a steady shipbuilding program is that predictability that allows industry to make efficient investments and allows us to maintain a steady output of government fleets as well, rather than having the dips in output that are typical when one is engaged in batch—that is, very short-term—upgrading or construction.

Commodore R.W. Greenwood (Director General, Maritime Equipment Program Management, Department of National Defence): Following on from that, one of the important aspects of having a domestic shipbuilding industry is that it helps to maintain the skills in the industry, both in terms of the hand skills in the trained labour, but also in the systems integration skills, which are so necessary to be able to upgrade and modify the ships in service, and that's certainly a requirement domestically.

So from a point of view of ongoing construction, it is of advantage to the navy to be able to forecast steady-state naval requirements, to look ahead at replacing the classes of ships, not so much as an individual class-by-class replacement, but look at it strategically as a replacement or an ongoing renewal of the navy as a system.

Ms. Dawn Black: I think what you're saying to me is that you do see domestic shipbuilding as part of a strategic asset for Canada.

I grew up on the west coast, and I remember the Burrard dry docks being a very busy place at one time. They're not any more. I worry about the decline in Canadian capacity to fulfill the needs of shipbuilding as an industry in Canada, but to fulfill the needs of the Canadian navy as well, in the long-term, both on the east coast and on the west coast of Canada.

Cmdre R.W. Greenwood: Certainly taking a long-term strategic planning view makes it easier for industry to be in a position to respond to the navy's needs.

Ms. Dawn Black: Okay, thank you.

What, in your opinion, holds up the procurement process in Canada? Do you think it's the bureaucracy, or is sometimes the fact that governments and cabinets and ministers...? There seems to be

this spread of responsibility in this whole process that I'm trying to understand and find out who is finally accountable on all this. What do you believe holds up this procurement process, which can often take a very, very long time?

● (0940)

Mr. Terry Williston: Well, I'm part of the procurement process—that's for sure. We'd like to think we operate the pieces that we're responsible for to the maximum efficiency possible. I think, as Mr. Ross indicated when he was here, a lot of the time taken in procurement is in the deciding stage. Perhaps a lot of time is spent either deciding or redeciding on many of these priorities and projects. I would tend to think that takes the longer piece of that whole procurement timeline.

Ms. Dawn Black: What do you think is an acceptable timeframe for procurement? What do you think that goal should be?

Mr. Terry Williston: It's project- or asset-specific. As was mentioned, on the shipbuilding side we tend to design to specific Canadian requirements—a design-and-build concept—that take much longer to procure involving Canadian industry, rather than some of those other types of procurements, which we talked about, that involve just procuring things off the shelf.

For example, to talk to your other question as well about the strategic interest or importance of shipbuilding, we host a marine procurement outlook conference annually where we bring together the departments that are involved in requiring ships—RCMP, Coast Guard, Fisheries and Oceans, and DND. They lay out their plans and programs for the next five and ten years in front of an industry audience, and the industry audience has the opportunity to understand what's coming down the pike, so to speak, and to prepare for those procurements. We'd like to think that helps us to better plan and manage the whole procurement process and the volume of procurements that are required in the Canadian shipbuilding industries.

Ms. Dawn Black: In terms of the purchase of the joint supply ships, does the navy foresee any need in the future for a change in that doctrine?

Vadm D. Robertson: With respect to the employment of the ships?

Ms. Dawn Black: The purchase.

Vadm D. Robertson: The manner in which they are purchased? I'm not sure I...

Cmdre R.W. Greenwood: I'm not quite sure I understand your question. Is your question whether the navy sees a need for a change in the design-and-build approach?

Ms. Dawn Black: In the doctrine of how the process works, I think is what I'm asking you.

Vadm D. Robertson: No. In fact, I think the joint support ship project is a bit of a template for how we'll move for future acquisitions. As I noted earlier, I guess it would start with the long-term forecasts to industry in general and the specific information associated with any individual ship like the joint support ship. Getting it out early is what allows industry to coalesce their capability around the requirement and become efficient. In fact we're already using it as the template for future acquisitions.

The Vice-Chair (Mr. John Cannis): Thank you very much.

We'll go to Mr. Hiebert.

Mr. Russ Hiebert: Thank you, Mr. Chair, and thank you all for being here this morning.

Admiral Robertson, I have a quick question. Based on your experience of maritime acquisition, what's your greatest concern, as it affects the navy?

Vadm D. Robertson: The greatest challenge is always in recapitalizing the fleet. That's an enduring challenge in all navies, because of the two points I mentioned earlier, one being the long time it takes to procure warships. Since it takes a long time, there never seems to be a sense of urgency, because a decision today only generates effect seven, eight, nine years from now. Delay is almost always possible in making decisions, because they won't cause an immediate effect. That's one challenge based on time.

The other is based on cost. Naval platforms being expensive, there is always an issue of fitting them into a program. The cost coupled with time means it's always easier in some cases to push things off just a little bit. That's why sailors tend to value a long-term plan that regularizes the acquisition, since it makes the coming to terms with a decision today for something that's going to generate effect a decade from now easier to deal with.

• (0945)

Mr. Russ Hiebert: Recently, the Chief of Defence Staff explained that the Canadian Forces lost a lot of talent in the 1990s. I think he referred to it as a decade of darkness. In light of this admission, is there sufficient maritime expertise in terms of further procurement of fleets?

Vadm D. Robertson: I'd break that into two parts. The first would be the seagoing ship's officers, as opposed to the seagoing engineers, who are required to drive for any project. In this case, relatively fewer are required than the number of engineers required for a new project. But we still need a number of seagoing ship's officers to deliver any project. And in our case, it's just a matter of priority. We have to have a future fleet; therefore we have to invest in any project to see it through. Consequently, it's just a matter for us of reallocation of talent.

It's a different issue for the engineers because of the size of these projects. I'll let Commodore Greenwood speak to that.

Cmdre R.W. Greenwood: I think the question also comes, though, back to this issue of strategic planning. With a long-term look ahead, we can plan the requirements we need, and we can also look at how the different recapitalization projects overlap and how the different demands of the different phases of a project intersect.

We're also working, as was mentioned with respect to the JSS project, on new ways of doing business and ways of engaging industry earlier and in a more open and partnership fashion, which also serves to mitigate the issue of expertise and to balance it between requirements for internal expertise and external expertise.

Mr. Russ Hiebert: I understand that the Canadian patrol frigate project came in on time and on budget. I'm wondering if there are some lessons that this committee could take from your successful experience with that procurement?

Vadm D. Robertson: Yes. Actually, I'd start merely by saying not only on time and on budget, but it delivered a world-class product. It

is still, 15 years later, operating around the world and will be for decades to come, and certainly today it is a platform that other countries are envious of.

Cmdre R.W. Greenwood: Certainly it demonstrated that Canadian industry can coalesce around requirement, where we'd had a hiatus in shipbuilding before that, between the building of the Tribals and the building of the Halifax class. So industry was able to coalesce around requirement. It illustrated to us the benefits of contracting out on a performance-based requirement, specifying the operational performance requirements rather than the fine details of how that performance would be delivered. Those have certainly been lessons that have been brought forward into subsequent shipbuilding programs, such as the Kingston class and currently the JSS.

One of the things that it did also illustrate, though, was that when we delivered 12 ships within a four-year period—they were all commissioned between 1992 and 1996—that then has continued the issue of boom and bust that the admiral referred to earlier. So that has also been a lesson that indicated to us that we wish to try to—again going back to the expertise question—phase out our deliveries in order to provide more of a stable demand on industry that they can plan for and work ahead to.

Mr. Russ Hiebert: So if I hear you correctly, you're suggesting that the application of a performance-based specification worked well.

I've also heard you mention in earlier testimony that doing a technical specification is also a big part of identifying your requirements because of the size and enormity of the platform. Could you explain that a bit more, how it's a combination of both technical specifications and performance-based?

Cmdre R.W. Greenwood: It is a balance. There are a number of national requirements that we have to meet: environmental requirements; health and safety requirements, which tend to be national-specific; there are some national-specific operational requirements, such as ability to operate in cases in icy waters. So one of the things we try to do is concentrate on what are national requirements but not dictate how the solution to those requirements is to be delivered.

• (0950)

The Vice-Chair (Mr. John Cannis): Thank you very much.

We'll go to our second round now. It's five minutes.

Mr. McGuire.

Hon. Joe McGuire: Thank you, Mr. Chair. I'm sharing my time with Mr. Martin, so I'll get right to it.

The joint support ships that were ordered and funded during the decade of darkness, at what point are we in the tendering process?

Mr. Terry Williston: We have just recently awarded two project definition contracts to two consortia, and they will have a 14-month window in which to prepare the designs for the ships. We'll be looking at the product of their work in 2008.

Hon. Joe McGuire: There are two firms left that are still...?

Mr. Terry Williston: Yes.

Hon. Joe McGuire: How long is this process? When did it start, and when do you anticipate that it will finish?

Mr. Terry Williston: Well, it is a multi-stage process. We started off with a pre-qualification stage that began in June 2005. The RFP closed in September 2006, with the contracts being awarded to the two consortia in December of 2006.

As I say, that product is meant to be available for our review in 2008, with the first ships to be delivered in 2012.

Hon. Joe McGuire: Are there any holdups in the process here? Can we make that process faster? Are there any kinds of anxiety about getting the ships onto the water?

Mr. Terry Williston: There have been attempts around the edges to make the process faster. For example, we shaved a little off the amount of time given for the project definition work. But even within industry, there is concern that if they try to shorten timelines too much, they won't have sufficient time to pull their teams together, do the work that's required, and deliver a quality product. So we think the timelines that are out there right now are agreeable not only to us from a procurement perspective and from a delivery of product perspective, but also to industry.

Hon. Joe McGuire: My last question is whether the admiral is getting his fuel for his ships now so he can participate in NATO exercises. Is that all straightened out?

VAdm D. Robertson: I think you're referring to trying to manage within this fiscal year to get the effect that we need. And yes, the ships on both coasts are conducting the training that's required for the balance of the fiscal year.

Mr. John Cannis: Mr. Martin, you have two and a half minutes.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Thank you very much.

Thank you, Admiral Robertson, Commodore Greenwood, Mr. Williston, and Mr. Lam, for being here today.

I'd like to ask just three very quick questions.

First, I'm hearing some disturbing reports that the subs are going to be scrapped in order to pay for other infrastructure. Is that true or false?

Second, can you give us some indication when the RFPs for the *Iroquois* replacement will be started?

Lastly, it was my understanding that our current supply ships will be mothballed two years prior to the new ships coming online. Can you tell me if that's true or false? If it's true, don't you think we ought to keep our current supply ships afloat in order to make sure that our navy has the supply required for them to exercise the duties that they do so well?

Thank you.

VAdm D. Robertson: With respect to the supply ships, as I think I indicated earlier, in the normal process of decommissioning one ship to commission a new ship, we would naturally tend to decommission something like a year or a year and a half prior and

then conduct the training to be able to take on the new ship upon commissioning. That's a ship-per-ship issue. What we would certainly try to do is, having come up with a plan to transition into the lead ship of the JSS, keep one of the older supply ships running so that we would always have an operational capability, if we could.

Actually, until we move to the next stage of the joint support ship process and actually award a contract and have some confidence in the delivery time, we won't finalize our plans for that transition work between the old and the new.

With respect to the Iroquois-class replacement, the navy at this point is working to define the requirements for a new class of ship. So that's internal work that's going to go on for some time, yet before we're prepared to go to industry.

With respect to the issue of submarines, I've certainly heard nothing at all that would indicate that. We're pressing full ahead to deliver operational capability with the boats.

•(0955)

The Vice-Chair (Mr. John Cannis): Thank you very much, Vice-Admiral.

Monsieur Blaney.

[*Translation*]

Mr. Steven Blaney: Thank you, Mr. Cannis.

Chief of the defence staff, commodore, Public Works and Government Services representative, welcome to you all this morning.

I appreciate this conversation. I am seeing that on the one hand you have to be able to plan the maritime forces' long-term needs and on the other, Ms. Black clearly referred to the fact that it was also in the industry's interest, because for decades, like over the last, dockyards have, practically speaking, been on life support.

I believe this should be one of our committee's recommendations. Surely, there would be consensus among Canadian members that, regardless of the governments in power, there needs to be a long-term policy with respect to the marine industry, so as to strike a balance between the equipment you need and production.

This leads me to the question I have for Mr. Williston.

You mentioned that not only are needs being felt by the navy, but also by other industry sector stakeholders. When will the meeting that you mentioned take place, the meeting between those who have to get these ships built, the coast guard etc.?

[*English*]

Mr. Terry Williston: I've talked about two different kinds of meetings.

I talked about a marine procurement outlook conference that happens annually. At the conference, we bring together representatives from the RCMP, the Canadian Coast Guard, Fisheries and Oceans, and DND, and they lay out their long-term requirements for a period of five to ten years. We can get an understanding of the total government requirements. Industry can feed back to us on whether or not they're able to carry out those requirements and can give us some ideas with respect to specific projects. We welcome that kind of feedback.

With respect to what I talked about before on the senior project advisory committee, it generally happens as a project is moving through the approval process. For example, for the DND project, they've decided they want to move forward on the particular project. They'll call an interdepartmental meeting wherein we can review the intentions or objectives of the project and some of the specifics related to those high-level performance requirements. We can collectively discuss the appropriate procurement strategy that will ensure competition to the greatest extent possible and the other socio-economic considerations around any project that any of the departments do.

They're two separate types of meetings.

[Translation]

Mr. Steven Blaney: At what time of year does the first meeting, the interdepartmental one, take place?

[English]

Mr. Terry Williston: We usually convene in the summer period. For example, it was in June last year. We generally move it around. Last year it was in Halifax. I believe the year before it was in Quebec City, and the year before that I believe it was in Vancouver.

We like to make sure we move it around so that the various industry representatives from large and small companies have the opportunity to participate. We generally have somewhere between 125 and 150 industry participants who come to hear the government's plans for the next decade.

[Translation]

Mr. Steven Blaney: In my riding, of course there is the Lévis dockyard. When I visited the site, I noticed a scale model with ramps for submarine building. In the end, unfortunately for our industry, these submarines were not built in Canada.

Could you tell us, general, where things stand with respect to the submarines? When do you think they will be operational? Which ones are?

[English]

VAdm D. Robertson: We've had a very successful past 12 months with submarines, with two operating simultaneously on the east coast over the course of the fall. The submarines participated in a variety of fleet exercises with Canadian and American forces over the past year. In addition, we had training done with the army Pathfinders by one of our boats.

For both the insertion of special forces into the submarine delivered by aircraft and the insertion from the submarine into a coastline, all of the training was conducted quite successfully back in the spring.

• (1000)

[Translation]

Mr. Steven Blaney: Are the four submarines currently operational?

[English]

VAdm D. Robertson: As you know, the *Chicoutimi* is awaiting eventual repair when we have the capacity to focus on *Chicoutimi*. *Victoria* is undergoing an extended work period on the west coast as part of the normal life cycle of submarines. As I've indicated, the other two were operational on the east coast.

The Vice-Chair (Mr. John Cannis): We have General Leslie outside, waiting. The first round was to end around ten o'clock. We've done very well, considering we had the motion. I'd ask that we suspend for a couple of minutes.

I want to thank you, gentlemen, for your presentations. We're trying to squeeze in as much as possible.

I have one quick question, if I may. Because shipbuilding is very important to us as a country with our rich tradition and history, when you put out these contracts, is it competitive internationally for bidders, or are they built in Canada? Many of us are asked these questions by our constituents.

Mr. Terry Williston: In fact we have a shipbuilding policy in Canada that says where competition exists we will have a competition within the country for the ships to be built in Canada.

The Vice-Chair (Mr. John Cannis): But shipbuilding is a very changing industry. We did the review on shipbuilding, and it's very important, maybe not for me where I come from, the city of Toronto, but I know for other Canadians.

We had the technology. Is it not being competitive? Can you shed any light on that? Is it technology? It's a niche we don't want to lose—if anything, build on it.

Mr. Terry Williston: The shipbuilding industry is extremely important to us as the procurement arm of government, because without it we will not be able to have successful tenders to deliver the product. Without a viable industry, we'll have difficulty obtaining the pricing we're looking for as well.

I can't speak specifically about the state of the Canadian shipbuilding industry, but I'd like to think that with some of the programs that are coming out of the Department of National Defence and with the Canadian Coast Guard fleet renewal program, there should be some stability in the future for the shipbuilding industry.

I would let them tell you about the exact state of their industry.

The Vice-Chair (Mr. John Cannis): Thank you very much.

Thank you very much for being here and sharing your knowledge and information with us.

We'll suspend for no more than five minutes and get moving in the second part. Thank you.

- _____ (Pause) _____
-
- (1005)

The Vice-Chair (Mr. John Cannis): Ladies and gentlemen, we'll reconvene .

I did introduce all our guests when the meeting opened earlier, but we're into our second session and I'll take a moment to reintroduce our guests.

From the Department of National Defence, we have General Leslie, chief of the land staff, and Chief Warrant Officer Lacroix, land forces. From Public Works and Government Services, we have Terry Williston, and we also have Johanne Provencher, senior director, major projects directorate.

Welcome to the committee.

Will all of you be speaking, or will there be one presentation? All right, one presentation.

General Leslie, ten minutes. The floor is yours, sir, and then we'll go into questions.

- (1010)

[*Translation*]

LGen A. Leslie (Chief of the Land Staff, Department of National Defence): Thank you, Mr. Chairman.

Mr. Chairman, ladies and gentlemen, good morning. It is a pleasure to be back with you once again, particularly for these important hearings on procurement.

Before I begin, I would like to introduce to you the people who are with me. I am accompanied by Mr. Terry Williston and Ms. Johanne Provencher from Public Works and Government Services, by Colonel François Riffou, my Director Land Requirement and my Chief Warrant Officer Lacroix, the Regimental Sergeant Major for the Land Staff.

The army's requirements are evolving as a result of the changing threat and the environment in which our soldiers operate. Much of the equipment we field today was acquired just following the Cold War or in the 1990s. Today we face asymmetric threats and an enemy that uses different weapons and tactics. There are other differences as well: during the many years when our major focus was on central Europe and later, our service in Bosnia, we were not required to operate in desert conditions.

Army requirements are driven by two major pillars. The first pillar is the combat development process. This process has led to the development of the document Land Ops 20-21, which is our future force employment concept. It looks out 15 years and tells us what kind of army will be required and how we should be prepared to fight in two to three decades. That is the more theoretical side and is prepared by some of the most forward-looking thinkers in the army, officers who study the evolution of land combat, likely technological advances and other questions of that nature. We are putting the final touches to that document and it should be published in the near future.

On the more practical side, and this is the second pillar, army requirements are driven by government policy and funding. At the moment, Mr. Chairman, the primary equipment related focus for the army are unforecasted operational requirements for the Afghanistan theatre.

And on the positive side, Mr. Chairman, the system has been very responsive to our requirements in that theatre. Whether it was the M777, UAVs or the Nyala fleet, the system has clearly demonstrated that it can be flexible and responsive to the needs of our soldiers in theatre. What is new is the ability of the system to respond more quickly to requirements that involve major expenditures; equipment we will bring home and maintain in the army for years to come, such as the M777 artillery pieces.

This is not the way we want to procure equipment on a regular basis—clearly, we prefer to take more time and think carefully about what will serve us best in different theatres for years to come. But the fact that the system has demonstrated the responsiveness that it has to our most pressing needs in Afghanistan is a most welcome development. On behalf of our soldiers, we are grateful.

Mr. Chairman, the length and intensity of our engagement in Afghanistan will no doubt have a significant impact on some of our major capital fleets. And we are using them at a faster rate than we initially thought would be necessary; we are driving them hard and wearing them out. As an example, the army is initiating a study, to be completed by July that will tell us the exact state of our lav fleet. The fleet was expected to run about 4,000 km a year—and not necessarily in desert conditions. We are now running 14-hour crew days and we are loading them up past what we expected with additional armour, ammunition and other things soldiers need when they go to war. We are running them in desert conditions for much of the year. We may therefore be forced to schedule life extension or replacement programs earlier than planned.

Mr. Chairman, your committee has heard from Mr. Dan Ross. He referred to a new way of doing business, so-called performance-based requirements. The army agrees in principle with this approach: the tell us what you want this piece of equipment to do approach, and we look forward to guidance and direction that will facilitate the change in our culture and methods from the more prescriptive approach that we currently use.

I should update the committee on a couple of more immediate projects, Mr. Chairman—we expect to go to the contract phase of our heavy-armoured truck acquisition by the end of March and our medium-weight truck project is on schedule to go to contract by Christmas. In both cases, we have received a good deal of interest from industry.

Mr. Chairman, the Canadian Army operates in a world where we face asymmetric threats, enemies have shown themselves to be highly adaptable, where technologies change very rapidly and where the age-old competition between offensive and defensive systems has accelerated.

As commander, I simply want to get the best possible equipment to my soldiers as quickly and in the most efficient way possible. Anything this committee does to streamline the system and help us to attain that goal will be greatly appreciated by Canadian soldiers.

•(1015)

[*English*]

In closing, sir, the process is going very well. When I first went to Kabul with 2,500 of your soldiers, in very short order we were provided with unattended aerial vehicles, night vision goggles, new radars, and up-armour kits for some of our vehicles. A whole bunch of people around town—Treasury Board, PWGSC, Foreign Affairs, PCO, ADM (Mat), and the entities within National Defence Headquarters—have done a great job, and that process is accelerating even faster, for which the soldiers of the army are extraordinarily grateful.

Quite frankly, sir, you and your committee should be very proud of all the work that you've done as a team to try to expedite the acquisition process to better protect our soldiers.

[*Translation*]

Gentlemen, I am now prepared to answer your questions.

[*English*]

The Vice-Chair (Mr. John Cannis): Thank you very much, General Leslie, and thank you for those kind words towards the committee. I'm sure we all appreciate it.

We will go to the first round, which is seven minutes, and—I'll remind members—for both questions and answers.

Monsieur Coderre.

[*Translation*]

Hon. Denis Coderre: Gen. Leslie, it would be appropriate, before we begin, to tell you to what extent we are proud of our men and women currently fighting in Afghanistan as well as all those involved in other missions throughout the world. You should also be proud, because you yourself represent this very pride and this honour. It is also a great privilege to have you here. Moreover, we wish you a speedy recovery. We hope you will be back on your feet in no time.

Today, it would only be appropriate, not only on behalf of the official opposition, but on behalf of all members, to say to what extent, through you, we express the pride that we feel in our men and women fighting for our country, democracy and well-being throughout this world.

That being said, I am pleased to see that now, at the end of March, we will finally have a selection process in place. As you have stated on several occasions, if there is one force that has crying needs, it is certainly the land force. We need to replace 1,500 military vehicles, 800 commercial trucks and 300 trailers. It's essential and it's important. The lives of our troops depend on it. We need these vehicles, we need them to be able to operate.

You will agree with me, general, that at the end of the day, the person who approves the requirements—

[*English*]

The one who agrees with the requirements is the minister. Do you agree with that?

LGen A. Leslie: Sir, as the army commander, I state the army requirements to the Chief of Defence Staff.

Hon. Denis Coderre: And at the end of the day, it's the minister who signs the final okay for those requirements?

LGen A. Leslie: Yes, sir, and then of course it is cabinet that actually approves a variety of acquisition plans. Sir, you know more about this subject than I do. You're well aware of what PWGSC does, in terms of the actual—

•(1020)

Hon. Denis Coderre: Well, I'm just sticking to DND, and I'm on your side; I'm working for you guys.

LGen A. Leslie: Absolutely.

Hon. Denis Coderre: Secondly, are you aware whether the minister has already approved all those requirements?

LGen A. Leslie: For the trucks, sir?

Hon. Denis Coderre: For the trucks.

LGen A. Leslie: The process has gone through, and I believe we're in the final stages of determining what exactly the best mix and match of capability sets is.

Let me just refer you back, sir, to some of my introductory comments.

[*Translation*]

First of all, sir, on behalf of our soldiers, I thank you for your very kind words.

[*English*]

There are three different types, essentially, of truck fleets, all of which are wrapped up in the larger package. The most urgent operational requirements are heavy armoured trucks to ensure that our young men and women, when they're driving those combat logistics patrols between the provincial reconstruction teams and wherever else they might be going, have sufficient protection against blasts and shellfire. The second one has to do with the medium trucks, and the third package has to do with the trucks for use in Canada.

Hon. Denis Coderre: I am aware of that, and respectfully, our time is a bit short.

My concern is that the actual Minister of Defence was a major lobbyist for a company, and I think, inside DND, you are willing to eventually have those kinds of trucks. I'm talking about Stewart & Stevenson.

[*Translation*]

As an officer, are you comfortable with the idea that a minister who once had access to National Defence as a lobbyist should be the person approving selection criteria for these trucks? Would you be more comfortable if the minister recused himself?

[English]

LGen A. Leslie: Sir, I approve the requirements. I state the requirements for the army. I'm very comfortable with the minister's role that he has demonstrated in terms of his ministerial responsibilities vis-à-vis the acquisition of assets, and I'm very comfortable with the civilian oversight that exists within the department.

[Translation]

Hon. Denis Coderre: The minister admitted in the House, last spring, that he had, in the past, met with a land forces officer as a lobbyist for Steward & Stevenson. So, you see no problem with briefing the minister, your boss, as to requirements which may or may not favour Steward & Stevenson.

[English]

LGen A. Leslie: Sir, I'm sorry, you are asking me questions on which I have no other details. That's completely and utterly outside my lane as a general officer to comment on that.

[Translation]

Hon. Denis Coderre: All right. In that case, could you provide us with that officer's name and tell us whether he is still part of the project team? He met with one of the project team officials. Could you provide us with this information, if you do not have it now, in the coming days, and tell us whether he was moved and why?

[English]

LGen A. Leslie: Sir, I'll take it under advisement and we'll get a proper answer for you.

Hon. Denis Coderre: General, one of the issues is that the official opposition doesn't believe we should have bought those C-17s. But something that strikes me is that Dan Ross—we're talking about the tacticals—talked about the C-130Js as a 90% solution to the real requirement.

My understanding is that if you want to transport an HLVW, you will have to deflate the tires. Okay, we can put a truck in, but for tactical reasons, especially when you have to go into the desert and you need those trucks, do you think it's appropriate to have a plane that will have to bring a pump so we can put some air in the tires before you can use them?

LGen A. Leslie: Sir, it's a matter of minutes to inflate or deflate the tires on the heavy logistics wheeled vehicle to allow it to fit inside a variety of aircraft.

Hon. Denis Coderre: Okay. General Lucas said it was problematic, though it was not a problem. Do you see that as a problem? Because you also have to take off some other parts of it and replace them afterwards. When we're talking about tactics, we're talking, as you said, about minutes. Don't you feel that we should have maybe checked for some other planes instead of focusing on those ones?

LGen A. Leslie: Sir, the concept of operations wherein you have a theatre that is receptive to receiving a large aircraft such as the C-17 or a C-130J, there's no real vision for using logistics wheels rolling off the back of very large aircraft straight into combat. There's always a period of, essentially, expanding the force package, which purchases you time, and that time can range from hours to days before the actual assets get into operational usage, such as heavy

trucks, such as soldiers, indeed. We don't send soldiers overseas, crossing half of the face of the globe, and send them immediately into combat operations or peace support operations without a certain period of acclimatization, tweaking the equipment, and so on.

I don't know if that answers your question.

• (1025)

Hon. Denis Coderre: Yes, I think it does.

The Vice-Chair (Mr. John Cannis): Thank you very much, General Leslie.

We'll go to Monsieur Bachand, *s'il vous plaît*.

[Translation]

Mr. Claude Bachand: Thank you, Mr. Chairman.

First off, I would like to start by welcoming the entire team as well as Gen. Leslie who impressed me a great deal with the quality of his French. His presentation was 90% in French. I also know that he is a great tactician. So perhaps he was trying to catch me off guard by making this presentation. I also know that he is able to withstand what I would call IPEDs in other words, improvised political explosive devices.

Some hon. members: Ah, ah!

Mr. Claude Bachand: Gen. Leslie, how do you feel—I'm not talking about your leg—but rather as chief of the land staff? Out of the \$20 billion announced by the government for projects, only \$1 billion will be going to the land forces.

Don't you get the impression that you need to change your approach with the department? In fact, the billion dollars is for the much-wanted trucks. Earlier on, when Mr. Robertson was here, I talked to him about these \$3 billion, in other words 15% of the total amount which means that 80% of the money will be going to the air force.

What I am even more concerned about is that so much money is invested in aviation—and that is the purpose of my question—that I wonder whether you may currently have projects which are in a way paying for it. I will be very specific: I am referring to ADATS, the Air Defence Anti-Tank System and to MMEVs, Multi-Mission Effects Vehicles.

For the benefit of the people watching us today, the ADATS are used to control air space and ensure that when our soldiers are in a theatre if there is a missile or an aircraft they are able to manage the air space.

With respect to MMEVs, they are for command and control in an operational theatre. The MMEV contract was cancelled and the ADATS program will probably continue until the 2010 Olympics. And then it will be stopped.

Do you not feel as though you are a victim of the tremendous influx of investment on the air force side and, at the end of the day, Ottawa's orphan child, because of these decisions?

LGen A. Leslie: First off, thank you for your comments.

When I went to Saint-Jean, during the ice storm, I had a good French-language instructor, you. So, I owe any ability that I have to speak French to you.

[*English*]

Sir, you've asked a complex question. Because I'm recovering from knee surgery and may be somewhat under the influence of prescribed medication, I will default back to English to try to answer you. And I apologize for that. Normally I wouldn't.

I certainly do not feel like the poor child among the three services. As you know, over the course of the last 15 to 20 years, a great deal of intellectual thought and future scenario planning has led most senior military officers to understand that the Canadian Forces has to be a team. I cannot do my job as a soldier unless I am delivered to wherever the moment of crisis might be, either domestically or internationally.

When the army shows up somewhere—and as you know, we tend to show up in very large numbers with thousands of pieces of equipment—the people who move us are the air force and the navy, certainly over strategic and even operational distances.

So when one considers that we have a first remit, which is to Canada, to be able to move great young soldiers around to help in domestic crises or

[*Translation*]

during the ice storm or other similar events,

[*English*]

in the Winnipeg floods, you have to get us there. And more often than not, internal to Canada, that will be done by the air force. So the idea of focusing a large number of resources to re-equip our operational and strategic fleets to move army folks around certainly resonates with me and with a great number of other soldiers.

The same is true of the navy. The joint support ship issue, which will have embedded within it the intellectual idea that you can move a company of soldiers within that construct, I think is a very good one, a very good one indeed. So I do not feel, as the army commander, that we are being disadvantaged by the current focus of activities, certainly in terms of the large crown projects, on the air force and the navy.

With regard to the response from folks such as you, from Canadians, and as I mentioned earlier, from the team here in Ottawa, the energy and attention that's been given across town to make sure that our soldiers are as well protected as they possibly can be—and that is expensive—has been brilliant. It really has.

In the past it would have taken years to do the design work and get approval to wrap our armoured vehicles in more armour—more steel—to buy night-vision goggles, to buy the RG-31, to buy the Triple 7 guns, and to buy new boots for the soldiers and the new flak vests to stop the shrapnel from hurting them. I guess when you total up the sums of all those various initiatives, they do not match that of the major crown projects being dedicated to air and sea assets, but I'm certainly very comfortable with where we are now.

● (1030)

Mr. Claude Bachand: Can you please say a few words about the MMEV and ADATS?

LGen A. Leslie: Yes, sir.

First and foremost, the Government of Canada has not made a decision on the future of MMEV, nor of ADATS, nor indeed on any of our large, complicated pieces of land-centric equipment.

ADATS is approaching the end of its useful life, in terms of its technology. Some of the fire-control systems, software, and computational assets that are integral to the vehicle, and the links it has with the look and sense of the fire-control systems are such that we're either going to have to make a major investment in keeping that fleet going—by major, I mean truly of a very large scale—or we're going to have to look for other options.

There is an operational requirement that the commander of Canada Command has identified in support of the Olympics, which you quite rightly have already referred to. Once we get a sense of what the full operation plan will be to support the Olympics, then I'll be able to give you more advice.

The Vice-Chair (Mr. John Cannis): You're out of time. Thank you very much.

Ms. Black.

Ms. Dawn Black: Thank you, Mr. Chair.

Welcome to the committee.

I think you know that several of us on the committee were in Kandahar last month, and I just wanted to start by saying how impressed all of us were with the professionalism of the well-trained men and women in the Canadian Forces who we met there. We all really appreciated the opportunity to be there and see first-hand what's happening on the airfield, and even to experience going out in the Nyala—a bit outside the wire anyway. I wanted to let you know that this was the consensus of everybody on the committee.

There has been a lot of talk in the media about the possibility of purchasing more Leopard tanks from Germany. I'm wondering, is this being contemplated? Is that happening?

Also, did anything have to be purchased to ready the Leopard tanks that we now have in Afghanistan and get them there?

My third question concerns the issue of the cooling system that's also been reported in the media. We're coming into spring in Afghanistan, and it's a very hot climate. What's happening around the cooling system and the ability to put in air conditioning?

There is this horrible vision of people cooking inside those things, and I would like an update on that, please.

LGen A. Leslie: Absolutely, Madam, thank you.

The threat environment that we're currently facing in Afghanistan is not necessarily the model, but it is a model, and no matter where we may go next internationally, it's logical to assume that we will be facing much the same type of threat from fundamentalists or terrorists who will use improvised explosive devices to harm either our soldiers or those we're charged with protecting.

In the absence of a technological breakthrough of sufficient sophistication, degree of accuracy, and lethality that you can mount it on relatively light vehicles to defeat a suicide bomber with five or six artillery shells in the back of his Toyota pickup truck as he rams up alongside you, or that can defeat an incoming projectile, such as a rocket-propelled grenade, we have had to default to options incorporating more mass on our vehicles, as have most other armies.

So we've put thousands of kilograms of extra armour on our M113 armoured personnel carriers. We bought the RG-31, and I know you've travelled in one. It's hideously uncomfortable, but it does the job. Think of the alternative.

Much the same is true of the Leopard, which is the single best-protected vehicle we have against an enormous blast. It's proved its worth in the sense that it has saved lives.

Like all soldiers who have been in combat, I don't necessarily like having to use the weapon systems that the Government of Canada makes available to us, but we are prepared to use them.

Very often, having these heavy pieces of equipment means that you don't have to use them, because you've presented or you've limited—

• (1035)

Ms. Dawn Black: Are we getting them from Germany?

LGen A. Leslie: Right.

It's not my place to comment on future policy options that the Government of Canada may or may not be studying. However, I will bring up the issue of cooling, which you quite correctly have identified. A lot of the kit we have in the Canadian army is absolutely first-rate; it really is.

The Leopard tanks that we're currently using in Afghanistan are in excess of 30 years old. We spent a great deal of money getting them fixed up over the last 10 or 15 years, but the current Leopard has some vulnerabilities. You will forgive me if I don't go into details. I trust you, but I don't necessarily trust....

Concerning the cooling system, it is projected that by the middle of the summer, the inside temperature for tank crews could be in excess of 60 degrees Celsius.

Ms. Dawn Black: That's why I'm asking the question.

LGen A. Leslie: A variety of studies have been undertaken by the great folks in S&T—science and technology—by research, by the assistant deputy minister matériel, and by François and his team, ranging from cooling vests, to internal air conditioning systems, to decreasing the amperage of the output, to taking a hard look at the hydraulic systems that exist inside that vehicle, because hydraulic systems under pressure produce heat.

However, as we've briefed the Chief of Defence Staff, there are a variety of options we have to consider. How much money do we want to reinvest in the current Leopard? Or are there other options available?

Ms. Dawn Black: Clearly, you wouldn't be able to put people in them in the summer. You just couldn't use them.

LGen A. Leslie: Not under those conditions, so we have to do something. And thank you for asking the question, because it concerns the safety of the soldiers.

Ms. Dawn Black: One of the other issues is that when we were at the base in Edmonton, one of the soldiers told me the tanks that went over there—some of them, anyway—had been decommissioned, and that they had to clear out the gun barrels; that they were filled with cement. Is that so?

LGen A. Leslie: I don't know if that is actually the case for the tanks we sent overseas, but there are one or two that fall under those circumstances. Currently, we have about 66 runners, and usually it takes around four to one or five to one, in terms of equipment back home to train on, to send one overseas.

Ms. Dawn Black: What are the main procurement issues right now for the army? What do you see as the big purchases coming up in the immediate future?

LGen A. Leslie: In the immediate future, the big focus for us is on survivability. That ranges from putting more armour mass on our vehicles to individual soldier survivability systems. If I had to choose one nugget, that would be it.

A fear I have is that sometimes we may get it wrong, because we are facing an adaptive, intelligent enemy who can very often figure out what we're doing within days or weeks of our actually doing it. They adapt their tactics and their explosive charges. So it's a continual balance, a to and fro.

The second nugget, I guess, would have to do with tactical transportation. That, of course, is in part being addressed by the armoured trucks, which are moving very briskly indeed, I'm glad to say. Once again, that's thanks to the efforts of everybody on this committee.

But also there is the issue of medium- to heavy-lift helicopters. I would really like to see medium- to heavy-lift helicopters there. We will always have to travel by road, because one of our remits is to be out there with the population, but just having those helicopters would allow us in many cases to not expose our troops to unnecessary risks.

The third one, I would say, is surveillance. That's an air-land combination: how do I see over the next hill better, faster, smarter?

Thank you, Madam.

• (1040)

The Vice-Chair (Mr. John Cannis): Thank you, General, and thank you, Ms. Black.

We'll go to Mr. Calkins.

Cheryl, would you be sharing time with...?

Mrs. Cheryl Gallant: I want to, if there's time left over.

Mr. Blaine Calkins (Wetaskiwin, CPC): I may, yes.

Thank you, Mr. Chair.

I'd like to thank everybody for coming here today. I can echo the kind words others have said around this table. I've been most impressed with the men and women of the Canadian Forces and the way they've conducted themselves. I certainly appreciate the support you've given to us here at the committee. I can assure you—I think I can speak on behalf of everybody here at the committee—that we are more appreciative of the work the men and women of the Canadian Forces do on our behalf. So I appreciate that.

General, I want to follow up a bit on a line of questioning of one of my colleagues with regard to the purchase of the trucks. Has there been any political interference at any level with the statement of requirements for any of these logistics trucks?

LGen A. Leslie: No.

Mr. Blaine Calkins: I'm glad to hear that.

This whole procurement thing is quite interesting to me. I've been researching this quite a bit and I have some questions that relate to the statements of requirements that the air force, if I can call it the air force, and the land service have been moving to, which would streamline the process so that we basically get rid of these 1,700-page documents on technical requirements and get down to capabilities requirements and then put it out to industry a lot quicker, speeding up the process. But when the folks from the navy were here this morning they basically were talking differently, from the perspective of still basically designing those technical specifications.

From an overall procurement perspective, when you talk about the integration of the three different services or three different elements of the Canadian Forces and how you're dependent upon the navy and how you're dependent upon the air force to project forces and to sustain operations domestically or in foreign territory, how do you see the fact that we are going to design-build with the navy, to off-the-shelf with the air force, and off-the-shelf maybe with the army component? Is that going to pose any problems?

There's going to be significant lag time, if we go to design-build in the navy, compared to off-the-shelf with air force and army. I'm wondering how that affects your defence capabilities planning and your strategic planning in the future.

LGen A. Leslie: Thank you for the comments about your soldiers. It's important for them to hear that. I think they know that, anyway, but it's very important for them to hear that. So thank you.

For the army, quality is important, as the technological sophistication of our various weapons platforms is ever-increasing. Also, mass has a quality all its own, so we tend to buy lots of things much smaller and less complex than ships.

My knowledge of shipbuilding is lower than a snake's belly. Admiral Robertson is a very smart guy. If he articulated to you the fact that he does need very detailed design specs, as the head of the navy, I'm going to nod at him, just as I kind of hope he'll nod at me when I'm talking about trucks or armoured personnel carriers.

In terms of the overall thrust, though, of getting to performance-based requirements, anything that can make the partnership among us, the other folks in government across town, and industry more responsive, and shape the output better such that industry can have a say in how things work—not in terms of dictating to the Government

of Canada or the armed forces but just helping as a team—I think can only be of benefit in terms of the speed of response and in getting some good ideas from industry experts.

Mr. Blaine Calkins: You spent a lot of your testimony answering questions that Ms. Black posed to you that deal with the safety that the Leopards provide for our forces that are currently deployed.

If we take a look, you talked about pillar one, combat development, future thinking, 2021. I believe if we were to look backwards, the Leopards were slated to be decommissioned based on the idea that future foreign policy might have us in situations where we're peace-building or peacemaking rather than peace-keeping.

Do you see, from your own defence capabilities planning perspective within the army itself, a new need for a significant rethink on going away from heavily armed vehicles to going back to heavily armed vehicles?

• (1045)

LGen A. Leslie: Sir, we are going back to heavily armed vehicles, keeping in mind that we'll still have to have a range of capabilities to meet different operational scenarios, to give the Government of Canada a range of employment options. So we'll still have to have little, wee armoured patrol vehicles with four wheels. We'll still have to have heavier vehicles and a fleet in between.

By the way, the current fleet in between is the light armoured vehicle. As I mentioned before, only the Canadian army would call something that weighs 45,000 pounds light. It is a brilliant vehicle, but we have to wrap it in more steel to allow it to have a better chance of survival against the suicide bombers or the rocket-propelled grenades.

That sort of threat will probably exist wherever the Government of Canada might want to send us internationally. That is probably the worst case, but in the view of mitigating against unnecessary casualties, we in the army tend to try to plan for a little bit of the worst case.

So we see the army moving towards re-establishing a heavier presence—hardening ourselves, I guess, is the word you want to use. We're certainly not abandoning the idea of the lighter vehicles; it's just that we want a range of capabilities.

Of course, now we're operating at the extreme end of the range, but it's our thought that no matter where we may go next after Afghanistan, much the same sorts of threat scenarios will exist.

Mr. Blaine Calkins: Okay, Cheryl, you can have some time if you want.

Mrs. Cheryl Gallant: Sure.

You had mentioned individual survivability. While I was in Afghanistan, I noticed that in addition to having fragmentation protection vests, a couple of militaries also had big collars attached to them for the soldiers who had to be in the hatch and drive a vehicle. Is that one of the individual protective devices we'd be considering?

LGen A. Leslie: Absolutely, Madame.

You have the army sergeant major here who speaks on behalf of the soldiers. We have seen the results of injuries to the neck and shoulder as a result of shells, rocket grenades or suicide bombers going off.

There's a continual trade-off between the mobility of the soldier himself—so he can do his job—and protection. We are actively pursuing, as we speak, higher collars for some soldiers, shoulder pads of different types of armour, and a newer type of ballistic goggles. The introduction of the ballistic goggles, which now everyone has to wear all the time, has probably saved, anecdotally, 10 or 15 sets of eyes from having fragments hit them. There is the new flak vest as well.

To answer your question—and I'm sorry I'm babbling badgering on—yes, we are actively pursuing that.

Do you have any details, François?

The Vice-Chair (Mr. John Cannis): We could go to the next round, because Ms. Gallant will have more time in the next round. Or if you want to continue, so not to break your thoughts or your questions, you can have more time, and I'm sure the committee will cooperate. You can finish off, if you'd like, and then we can go to the others.

Mrs. Cheryl Gallant: Go to the next round, then.

The Vice-Chair (Mr. John Cannis): Excellent, thank you very much.

We're doing great on time, so there's some flexibility there.

We're into the next round and it's five minutes. Mr. Martin and Mr. McGuire will share.

Hon. Keith Martin: Thank you very much, Mr. Chair and Mr. McGuire.

Thank you, General Leslie, for being here, and gentlemen, and Madame Provencher.

I hope people who are listening know—they can't see it—you're here in a wheelchair, so we thank you very much for going the distance. Again, for what all of your troops are doing in the service of our country, we're profoundly grateful.

General, our overriding goal is to make sure your troops get what they need before they need it. That's why we're setting this. Could you give us a sense on a couple of things? One, you're perched on top, looking at the bottlenecks that you alluded to. Can you give us any advice on what we can offer to be able to remove those bottlenecks to facilitate that overriding goal?

Secondly, are you getting enough funds for your trainers to be able to get the training required for your troops to hone their skills?

Lastly, some of the IEDs coming out from Iraq, particularly ones that are able to shoot molten metal, are deeply concerning to the Americans, and you can see the movement of technology or tactics from Iraq to Afghanistan. Can you give us any advice on what we can offer to be able to ensure that you have the resources to protect your troops, given what you're seeing in Iraq and seeing the flow of nasty tactics that have been employed in Afghanistan?

Thanks.

• (1050)

LGen A. Leslie: Sir, thank you for your comments about the soldiers.

In terms of bottlenecks, if this had been five or six years ago, I would probably have a huge list of things that irritated the army commander about bottlenecks around town. The army's needs, in comparison to the truly large equipment projects for the air force and the navy, are much smaller in terms of the aggregate.

Can you help me out? I can't think of—

Hon. Keith Martin: Giving it to us at a later date is appreciated. So if it comes to you later on—

LGen A. Leslie: Yes, I can't think of a systemic bottleneck that has not.... One has to present a convincing argument to one's bosses, based on logic, but recently, over the last couple of years, if we need it, and we present convincing, compelling logic for getting it, no one across this town has said no.

I know you know that it's definitely not a free ride. There is a whole bunch of really tough questions asked. The Government of Canada has many priorities, but no one has said no.

Hon. Keith Martin: We're just trying to find ways to smooth the system for you, that's all. That's why we're studying this.

LGen A. Leslie: Absolutely. Keep on asking your questions. The fact that you're doing this is once again sending a clear signal across town that this is important. So all of you as a team are focusing your energies on trying to help the soldiers, and that in itself has ripples in the pond, spreading it across.

In terms of training systems, there was some thought five or six years ago that by investing in training technologies—and by the way, we want to do more of that—we could actually save money in the longer term. I do not hold that view. I think we have to invest in training systems, but that's to make our soldiers better at what they do and give them a greater chance of survival for that moment of truth overseas. So we want to invest more money in training systems, but I do not want to cut back on the number of field days that the soldiers in the army go out and do their business. Nor do I want to cut back on the ammunition we consume to give the young men and women that final edge that they might need when they go overseas.

On top of all that—I'm trying to think of an example—we are spending a great deal of taxpayers' money, and I think wisely, in doing different types of training than armies have done in the past. We've hired hundreds of Canadians who come from Afghanistan to give us a hand and play village elders, to play the roles of family elders, of shura council members. We are training our soldiers on how to work in and with the three-D construct, training them on how to work with the international organizations and development agencies, and all that's expensive.

Vis-à-vis the IEDs, the improvised explosive devices, they are gaining in lethality. With every passing month, there seems to be something new out there. I and my team do not have a solution currently in the immediate view that takes us away from mass—i.e., the idea of hardening elements of the army, big slabs of steel or armour.

The Vice-Chair (Mr. John Cannis): We'll give Mr. McGuire a few minutes, since we're okay on time and have some flexibility.

Mr. McGuire.

Hon. Joe McGuire: You're most generous, Mr. Chairman.

General, in Minister O'Connor's "Canada First" policy or initiative in the north, he's requesting a rapid reaction battalion for Goose Bay, among other things. How far along is that request? And do you see any problems in complying with the minister's plans in regard to the north and Goose Bay?

LGen A. Leslie: Sir, the latest word I have from the Chief of Defence Staff is that the Goose Bay organization will be focused mainly on ranger support. There are lots of great citizens up in Goose Bay. Surprisingly enough, those who actually belong to the rangers number less than 20 to 30. I'm prepared and more than willing to set up an organization to go up and take a hard look at how we'd get more local citizenry involved in assisting in defending their country. There's infrastructure up in Goose Bay, which is largely vacant. There are already 500 or 600 DND employees who are there to take care of those facilities.

Does that answer your question?

• (1055)

Hon. Joe McGuire: Is the battalion itself in the realm of possibility?

LGen A. Leslie: Sir, there's a bunch of options that are being worked with. The chief of force development, who is essentially the fellow who works very closely with the minister, the vice, and the chief... I'm not aware of the latest discussions that may have been taking place around Goose Bay, so I can't really give you any further advice.

Hon. Joe McGuire: Thank you.

The Vice-Chair (Mr. John Cannis): Ms. Gallant.

Mrs. Cheryl Gallant: Thank you, Mr. Chairman.

I recognize that your immediate requirements are based on individual sustainability—and I hope that something for the lower extremities to make surviving more possible for soldiers who walk on anti-personnel landmines would be included in that—and that you need the trucks immediately and more armour, more mass, etc., right away for this mission that we're on.

I recall a number of years ago in Wainwright, one beautiful spring day, that we were going through an exercise and you were calling in the notional attack helicopters. Looking into the future, because right now we're almost behind the eight ball—we could use the equipment we need right away—do you see any possible future requirements for an attack helicopter within our suite of vehicles in the air force?

LGen A. Leslie: Thank you, Madam.

I've been on a large number of missions internationally, and attack helicopters or small armoured machines that can survive a hit from the ground have a variety of impacts on the people below them, not the least of which is that by having them, sometimes you deter those unpleasant elements who are trying to attack you. Of course, when an attack does occur it's a lot easier to find them and deal with them if you have that responsive capability.

If I may just bring the discussion up to a level involving the medium- and heavy-lift helicopters, when we get the medium- and heavy-lift helicopters, we are going to want to ensure that as they progress, as they travel across relatively hostile terrain, there will be other machines, smaller machines, around them to protect them. Does that happen in a multinational context? Do members of the coalition provide that capability? Do we add onto the existing Griffons? What will we do with the H-92? What is the future of the EH-101? I mean, there's a whole bunch of air-force-related questions that the chief of air staff—and I know you've talked to him—would be better able to articulate to you.

In terms of the army requirements, is there a need for a direct-fire and surveillance capability to better help the soldiers on the ground? Absolutely. It's a question of available resources and a certain degree of prioritization.

Mrs. Cheryl Gallant: And getting back to the medium- and heavy-lift helicopters, I'm not sure whether or not the opposition disputes the requirement for that. Would you explain, from both a domestic standpoint and missions overseas, why that is crucial to our suite of equipment?

LGen A. Leslie: The medium- to heavy-lift helicopter, from an army perspective—and all my air force friends will get cross when I say this—is a big flying truck that can take off vertically. That's how I see a helicopter. By being able to do that, it can assist in casualty evacuation in those unfortunate moments when we have more than one or two people, both domestically and internationally. It could have delivered sandbags or food supplies to those citizens who were cut off during the Manitoba floods. It could have assisted in the removal of large pieces of debris from roads, for example, during the ice storm. And when the roads were completely shut down by this layer of death *glâce*, we would have been able, perhaps, to have better positioned soldiers and generators than we actually were able to. Most of the time it was either by snowmobile or track vehicle. We had our Badger tanks there ripping down some of those pylons.

Internationally, of course, the less time you spend on the road when you don't have to, the better. The vertical resupply is an extraordinarily valuable instrument. It is the idea of being able to deposit a medical team in a remote village in Afghanistan, or wherever we're going next, without necessarily telegraphing the fact that you're not going, but coming back, because it's the coming back that's dangerous, because the bad guys have time to react after you've done your good work. Doing it by helicopter, you're plunking the team down, picking them up, and moving them to another village, without exposing those medical personnel to risk. The list of possible utilities goes on.

• (1100)

Mrs. Cheryl Gallant: From the army perspective, on the C-17, both domestically and abroad, what are the advantages to having that particular plane?

LGen A. Leslie: Once again, Madam, as the army commander, my portion of the requirement is the ability to lift tens of thousands of pounds of equipment long distances so we can actually be of use. On the actual technical specifications for the C-17, I'm way outside my lane, just as I wouldn't expect the Chief of the Air Staff to provide a whole bunch of detailed comments on our light armoured vehicles.

Mrs. Cheryl Gallant: So you need aircraft of that size, regardless of the brand, to do the work and to keep you safer.

LGen A. Leslie: Yes, ma'am.

The army sergeant major and I were in Afghanistan a little while ago, and we saw one of our Badger armoured tanks—it's essentially a huge armoured bulldozer—doing its work in Afghanistan. And the only way it was delivered to Afghanistan was by a C-17 that was not owned by Canada, which is.... There we go.

The Vice-Chair (Mr. John Cannis): Thank you very much.

We'll go to Monsieur Bachand.

[Translation]

Mr. Claude Bachand: I would like you to expand on what you are saying regarding the MMEVs so we have a complete answer. As you know, this is very important to us. So I am patiently awaiting your answer.

[English]

LGen A. Leslie: The multi-mission effects vehicle, which, as you know, was to be an evolutionary step for the ADATS system, is predicated mainly.... Well, it has two roles. One is direct fire against pinpoint targets, such as tanks. The second is to knock down incoming aircraft at relatively short ranges.

Mr. Claude Bachand: Is it also for command and control of your operational field?

LGen A. Leslie: Absolutely. It is a tool to provide surveillance of the air space and to assist in the command and control network.

But if we look out over the next five or ten years, a variety of decisions have to be made in terms of priority of effort. It's not only money; it's the skilled people, which Jean-François is in desperately short supply of, as are the folks at PWGSC, to manage these issues in a coherent fashion.

My immediate priority is hardening the force. And the current concept of the multi-mission effects vehicle does not have a great deal of survivability in the type of scenario that we see happening overseas. So no decisions have been made, as I mentioned earlier.

The Chief, the Chief of Force Development, the Vice-Chief of the Defence Staff, and I have to figure out what the requirements are to support the Olympic Games. We have to figure out what are the likely chances of a reasonable possibility for success in terms of investment, either into ADATS or where are we going with MMEV. And no such decisions have been made.

The Vice-Chair (Mr. John Cannis): We'll go to Monsieur Coderre, and we'll just wrap it up.

[Translation]

Hon. Denis Coderre: Thank you, general.

I have two brief questions.

[English]

I think in my mind it's pretty clear about the trucks. I truly believe there's a conflict of interest for General O'Connor. But I want to ask you some other questions.

Were you part of the requirement when the Canadian Forces wanted to decide about the strategic and tactical planes? Of course, if we had to transport LAV IIIs, you had something to say about it, I guess.

[Translation]

You or those working for you.

[English]

Were you part of the process of what the requirements were, for example, for planes?

LGen A. Leslie: Yes, sir, the army was part of this. I myself was not the army commander—

Hon. Denis Coderre: But as your department—

LGen A. Leslie: —when the requirements were defined. My predecessor, Lieutenant-General Marc Caron....

[Translation]

I know that you know him well.

[English]

He is a superb officer, and whatever decisions he was involved with I support fully and absolutely.

Is there a follow-on to your question on that issue?

Hon. Denis Coderre: It seems they made some changes on the weight listing, on the capacity. I'm annoyed by the 90% solution that might be problematic. But just for the purpose of the LAV III itself, it seems that we changed the capacity from 43,000 pounds to 86,000 pounds within weeks. As you know, when we're talking about an SOR, it takes several times. We had a plan at the air force for six years, and besides the certification or the delivery schedule, we were aiming at load capacity. It was changed from 43,000 to 86,000 pounds.

So my question clearly is, if you participated in the requirements, could it be that your department participated also in that kind of change of requirement—or Mr. Riffou maybe? For six years we had those same requirements, all the time; and now, in a matter of weeks, it changed. Why?

● (1105)

LGen A. Leslie: Well, sir, my apologies. Neither I nor François Riffou were part of the meetings that defined the armoured requirement, but I now owe you an answer, which I will get for you.

I will say, though, that 43,000 pounds is a very familiar number, because that's the weight of one LAV. So I'm assuming that the 86,000 is two LAVs. I think the army has been saying for some time that it makes sense to have an aircraft that can carry more.

But that is not a sophisticated answer, and I apologize.

[Translation]

Hon. Denis Coderre: I have one final question.

[English]

It's about tanks.

[Translation]

I am a civilian. You'll have to help me understand.

Why is it that we can buy a C-17 aircraft but that we need to rent tanks?

[*English*]

I can put that money and buy you more tanks, but that's a political discussion. But for the purpose, would you just explain it to me? It seems we have to replace and need some tanks. My colleague Dawn was pretty eloquent about the issue of tanks, but how can we rent tanks? Do we need them so badly that you have to rent them? I'm just trying to understand.

LGen A. Leslie: Well, sir, as I mentioned to Madame Black, no decision has been made by the Government of Canada. In terms of rent, lease, or buy options, it's logical to assume that whenever we talk about purchasing types of equipment, a pretty thorough analysis is done, not only by DND and the CF, but more importantly, because they're the ones who sign the cheque, the good folks from PWGSC.

Sometimes the urgency of the issue—and Madame Black, based on our experience over there, has seen what some of our tankers may be facing—dictates a certain sort of flexibility that we ask PWGSC to consider—

[*Translation*]

Hon. Denis Coderre: I am not questioning the necessity for tanks. My question is the following: Is it a usual practice of the Canadian Forces to have to rent tanks?

[*English*]

Have we ever rented tanks before? If it's an option, did we do that before?

LGen A. Leslie: We have rented equipment, sir. We have leased equipment.

Colonel Riffou just reminded me of the ARTHUR counter-battery radar, which the former government very kindly sent over to me and my soldiers when we were Kabul. That was done right away, bang, thank God.

Hon. Denis Coderre: There's not so much darkness after all. We were there too, to help you a lot.

LGen A. Leslie: Yes, that's right.

Sir, I owe you an answer. Have we ever leased or rented tanks before? I suspect, way back, when we bought the Leopard, which is actually before I started my career, there was a lease-rent option.

Hon. Denis Coderre: When we're talking about procurement, of course, leasing is an option. So can you provide me with that?

LGen A. Leslie: I will, sir.

Hon. Denis Coderre: Thank you.

The Vice-Chair (Mr. John Cannis): If I may, maybe if there is more information that you can come up with, you could send it to the committee, and we'd be glad to distribute it.

We're going to close with a short question. Steven.

Mr. Steven Blaney: I just have a comment. I would like to thank you for coming to visit us this morning. You gave a pretty nice explanation, and we have a better understanding, especially on the

[*Translation*]

interdependence between the forces and their equipment, essentially. We really get the sense that

[*English*]

the Canadian Forces are a team. That's something that I have to recall.

[*Translation*]

Mr. Chairman, I think gratuitous statements have been made. When you look at the number of Liberals holding key positions in the defence industry, I think there are conflicts of interest here. This is something we should discuss that once again.

[*English*]

The Vice-Chair (Mr. John Cannis): We're not going to debate that right now. We're going to adjourn the meeting, but before I officially—

Mr. Steven Blaney: Any time.

Ms. Dawn Black: Before you adjourn the meeting, I have a suggestion for a witness. I didn't want you to adjourn before I had the opportunity to put it forward.

The Vice-Chair (Mr. John Cannis): Can I thank the witnesses?
• (1110)

Ms. Dawn Black: Yes. Thank you.

The Vice-Chair (Mr. John Cannis): Thank you very much, ladies and gentlemen, for being here and sharing your time. Once again, on behalf of the entire current committee and the past committees that I have served on in this committee, we want to thank you for your kind words, your acknowledgement. As Mr. Coderre and so many others said, we so much appreciate the excellent work that you do on behalf of Canada, and our thoughts and prayers are always with you. Thank you.

We have a suggestion from Ms. Black.

Ms. Dawn Black: Yes, for one of our witnesses. I know we don't want to extend these hearings any longer than we planned on, but I also know that there is some room for some people to be called.

The person I want to suggest is Philip Coyle, who has been an adviser to President Bush. I have sent the information to the clerk, and I could certainly share it with everybody on the committee. He has extensive knowledge in the procurement process in the U.S., has testified to Congress and the House of Representatives on many occasions, and also has a great deal of expertise on weapon systems. I think he would be a valuable addition to our list, so I'm proposing that. It doesn't need the 48-hour notice, because it does fit within the parameters of the committee.

The Vice-Chair (Mr. John Cannis): It does fit within the parameters, as explained earlier today.

Are there any comments from the...?

An hon. member: Fine.

The Vice-Chair (Mr. John Cannis): Fine, great. The clerk will make note of it.

Is there anything else?

The meeting is adjourned.

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Publié en conformité de l'autorité du Président de la Chambre des communes

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