

National Defence

Défense nationale

Deputy Minister

Sous-ministre

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The Honourable Kevin Sorenson Chair, Standing Committee on Public Accounts House of Commons Ottawa, Ontario K1A 0A6

Dear Mr. Sorenson,

As agreed upon in the Government Response to the report of the Standing Committee on Public Accounts entitled *Report 5, Canadian Armed Forces Housing, of the Fall 2015 Reports of the Auditor General of Canada*, National Defence submits its response to the second part of Recommendation 1, due 31 December 2018.

Sincerely,

Enclosures: 1



Response to the Standing Committee on Public Accounts, Report 5, Canadian Armed Forces Housing, of the Fall 2015 Reports of the Auditor General of Canada

Recommendation 1

That the Department of National Defence provide the House of Commons Standing Committee on Public Accounts with its new operational requirements for military housing by 30 June 2017, and its revised accommodation policy by 31 December 2018.

In the Government Response to the House of Commons Standing Committee on Public Accounts' *Report 5, Canadian Armed Forces Housing*, National Defence committed to providing the Committee with its new operational requirements for military housing by 30 June 2017, and its revised accommodation policy by 31 December 2018.

This report is National Defence's second update to the Committee on this commitment. In June 2017, it provided the Committee with its new operational requirements for military housing, which outline the rationale for using military housing to meet the Canadian Armed Forces' (CAF) accommodation needs.

National Defence is updating its accommodation policy in the context of *Strong, Secure, Engaged* (SSE), the defence policy it published in 2017. SSE places significant weight on initiatives that support CAF members and families, and National Defence's work on the accommodation policy will ensure the outcome reflects both policy priorities and operational requirements.

The accommodation policy consists of three connected elements: the Departmental housing policy document, the Living Accommodation Instruction (provides details on implementation), and Queen's Regulations and Orders (policy's regulatory framework). National Defence is making changes to all three elements to ensure that they remain aligned, but the process is taking longer than anticipated.

In its initial response to the Auditor General's recommendation (published at paragraph 5.38 of the audit) National Defence undertook to revise the accommodation policy by fall 2017. As part of developing the Management Action Plan, it re-evaluated the work required, assessed that it had underestimated the time it would take, and lengthened the timeframe to December 2018. However, this revised timeframe was also too short, and would have required compressing milestones, diminishing the scope of the revision or assigning more staff to the job to complete the policy in the time available. Indeed, National Defence's decision to go beyond a simple update of existing provisions, to develop a number of entirely new ones that would reflect the evolving needs of CAF members and their families, created substantially more work and contributed to even more delay.

National Defence is carrying out wide-ranging internal consultations to identify which areas of the policy need updating and improvement. It is examining potential changes in numerous areas, including health and safety, compensation and benefits, housing standards and accessibility. National Defence will use the redefined operational requirements to ensure that the policy is fully aligned with organisational needs.

In updating the accommodation policy, National Defence aims not only to improve how it manages military housing, but to advance wider Defence policy objectives in retention, family stability and environmental stewardship. It is integrating a gender-based analysis "plus" (GBA+) process into the review, guided by a specialist gender advisor. It is also conducting new research into how best to balance operational imperatives with families' needs. This effort will reduce its reliance on research from other countries and allow for analysis and policies specific to the Canadian context. Finally, with a view to greening Defence, National Defence is looking at ways of better implementing green standards in CAF housing units.

Next steps

National Defence has reassessed the time it will need to complete the policy update. It will provide the Committee with a progress report by 31 May 2019 and submit the full, three-document accommodation policy in November 2020.