

AFAC POSITION PAPER 04/2008

Issue: Implement the Canada First Defence Strategy

Background

- On 12 May 2008, the Prime Minister and the Minister of National Defence announced the Canada First Defence Strategy (CFDS). A formal document to support the policy described was available in June. There were no real surprises. Within the three military roles – defending Canada, defending North America and contributing to international peace and security -- the six core missions of the CF are listed as follows:
 - Conduct daily domestic and continental operations, including in the Arctic and through NORAD;
 - Support a major international event in Canada, such as the 2010 Olympics;
 - Respond to a major terrorist attack;
 - Support civilian authorities during a crisis in Canada such as a natural disaster;
 - Lead and/or conduct a major international operation for an extended period; and
 - Deploy forces in response to crises elsewhere in the world for shorter periods.
- Overall, the policy confirms the Government's commitment to continue to enhance the capacity of the military through balanced investments across four pillars that form the foundation of military capabilities – personnel, equipment, readiness and infrastructure. Specific projects and personnel targets to build a 'balanced, multi-role, combat-capable force' are included, all declared to be affordable through stable defence funding over the next 20 years.
- On the face of it, the CFDS is a very positive step forward with its clear statement of support for the CF, coupled with Budget 2008 promises to increase the inflation protection for DND from 1.5% to 2.0% beginning in 2011. Defence spending figures over the next 20 years are large -- \$490 billion overall which includes \$60B in equipment and \$40B in infrastructure. Many of the specific projects identified for funding are air force related and include, for example, future replacements for the maritime patrol and fighter fleets.

AFAC Position

- While it is easy to support the initiatives announced by the Government, the 'devil is in the details' when it comes to implementation. Of significant importance will be the adequacy of funding. With consumer inflation gradually rising, and equivalent rates for military purchases traditionally higher, the adequacy of a 2% increase is in question. Indeed, the Standing Senate Committee on National



Defence and Security has been openly critical of the need for the Government to redress the level of the Defence budget to ensure that the CFDS is affordable.

- Concern has also been expressed regarding the ability of DND, working with Public Works and Government Works Canada, to implement the scope of projects identified for prosecution. The involved procurement process for defence projects, coupled with the demands placed on a limited number of program staff, mitigate against timely acquisitions. Moreover, the political imperative for attractive industrial and regional benefits to offset large offshore purchases further compounds the process and length of time to get to contract. A federal election will also present delays in government approvals or potentially a change in direction if the party in power changes.
- Throughout this procurement obstacle course, it is imperative that Government support be maintained with adequate funding and timely decision-making. Delays in acquiring the capabilities detailed in the CFDS will only compromise the ability of the CF to renew major equipments, increase personnel strength, and provide the necessary support for future sustainment. Without this renewal, the retention of obsolete equipment and infrastructure will continue to degrade the ability of the military to carry out the mandate given it by the Government. And with regard to expansion, without the means to provide the necessary training and equipment for new personnel, the effect of having them will be sub-optimal.
- An investment plan is being prepared, for intended submission to Government in November 08, to present the specific way ahead for CFDS implementation. Without such a plan, the application of the new policy statement could remain open to interpretation regarding relative priority and affordability. It is critical, therefore, to establish a plan and to gain Government acceptance of it to facilitate future project approvals. Such a policy-consistent endorsement will eventually be needed, regardless of the party in power.

Messages

- The recent release of the Canada First Defence Strategy is a positive initiative towards the maintenance of appropriate military capabilities and is supported.
- It will be important that the Government provide the necessary funding to implement the policy, increasing the Defence budget as required.
- An investment plan, approved by the Government, is a critical element of CFDS implementation. It must necessarily identify the relative, and affordable, priorities it sets for capability development.

Developed by: Aviation Affairs Committee

Point of Contact: George Macdonald, gmacdonald@cfncon.com, 613-232-1576

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