



**Testimony of Lieutenant General Richard Evraire (Retd), Chairman
and Colonel Howard Marsh (Ret'd) Senior Defence Analyst
The Conference of Defence Associations
to the
House of Commons
Standing Committee on National Defence and Veterans Affairs**

April 14, 2005

LGen Richard Evraire: It is a pleasure to be invited again this morning to address the topic of defence policy. Whereas on previous occasions I have commented to this committee on what the Conference of Defence Associations believed Canada's defence policy should be, this morning I would like to comment on the subject of defence policy management.

Let me begin by pointing out that the defence community views the current situation as rather unique. Allow me to explain.

At this point in the defence policy development process, the Prime Minister has, to a very large extent, already made his foreign and defence policy views known; the Ministers of Foreign Affairs and Defence have outlined the government's overall intent regarding foreign and defence policies; the Chief of Defence Staff, on March 3, at the CDA Institute annual seminar, painted a clear defence plan for the way ahead; and the government has made public a long-term defence funding profile.

Yet, we still have no coherent, all inclusive defence policy statements. Vision, leadership and money are there for all to contemplate. Planning and implementation teams have been formed by the Chief of Defence Staff and will report to him on their recommendations sometime in June.

Is anything wrong with this picture?

Policy development process purists would argue that some of the steps I've just outlined are out of sequence. Others, the CDA included, believe that one of the most refreshing developments in defence policy

terms to have come about in a long time is the unequivocal support voiced by the Prime Minister and his cabinet for a viable armed forces and a credible defence policy tied to an international security policy intended to make Canada a significant player in the world. The CDA awaits, as we all do, with much anticipation and guarded optimism, the outcome of deliberations designed to achieve that goal.

It is therefore not my intention in my comments this morning to strike a pessimistic note on the defence policy development process or the outcome of that process. I do, however, believe it is necessary to alert you to the deliberations of a recent conference co-sponsored by Queen's University, the Institute for Research on Public Policy, and the CDA institute on the Department of National Defence's ability to manage the transformation that will be required for it to implement any new defence policy.

During the conference, held a week ago in Ottawa, defence analysts explained that there exist, across government departments and central agencies, several public administration impediments to achieving the current Canadian forces organizational objectives of stabilization, transformation and modernization. All of these are mandated government policies, as you know. These impediments exist in the policies, procedures and authorities for defence administration.

To quote from Dr. Douglas Bland, chair of defence management at Queen's University, last week's conference organizer,



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the objective of defence administration is to organize, equip, and sustain the Canadian Forces so that they are able to produce the maximum possible coercive force from the resources provided by the government.

He goes on to say that while strategic analysis, goal-setting, resource allocation, and public oversight ought to be essential components of defence policy, the key to building defence capability is effective and efficient public administration. We need to ask ourselves whether the existing system for defence administration is the one we would select were Canada to be fighting a war. His answer? We are at war, and the existing system does not adequately meet the nation's needs.

Dr. Bland went on to quote from Minister of National Defence John McCallum's 2003 report, entitled "Achieving Administrative Efficiency". In part, the report stated that DND and the Canadian Forces--and, by implication, other government departments and central agencies--were not well positioned from a management perspective to meet the strategic-level challenges they are facing.

The report stated, and I quote:

"...without fundamental transformation of the national-level management framework and practices of DND and the CF, the CF will not be able to transform itself rapidly enough to adapt to Canada's changing security environment."

Mr. Chairman, ladies and gentlemen, without the cooperation of other government departments and central agencies, this transformation of the Canadian Forces, which is essential if the vision of the Prime Minister and the government is to be met, will not be possible.

The primary purpose of defence administration, stated earlier, has become lost in clashes over the policies, interests and procedures of various departments and central agencies of government that have

resulted in delays in defence planning, and in additional costs to the production of combat capabilities.

The Conference of Defence Associations strongly recommends that the Standing committee on National Defence and Veterans Affairs look into this public administration issue, laid out in Minister McCallum's 2003 report, and recommend ways to streamline policies and procedures in order to expedite the production of combat capability.

In conclusion, allow me to highlight two existing impediments: the first, internal to DND and the Canadian Forces, and the second, contributed to mainly, but not exclusively, by other government departments and central agencies; and policy and procedure impediments that need to be eliminated or streamlined in order to expedite the production of combat capability in the Canadian Forces.

The first of these concerns is "force generation." A thorough examination of existing recruiting, training, and personnel practices within DND leads to the troubling conclusion that the Canadian Forces may not be able to increase the trained effective strength to the announced 5,000 regulars and 3,000 reservists above current levels before 2012.

During the question period, Colonel Marsh and I would be pleased to provide some of the reasons for this delay. Let me simply state here that the Conference of Defence Associations believes it is imperative that, as a matter of public administration of defence policy, policy implementation take this fact into consideration in assigning missions and tasks, especially offshore deployments, to the Canadian Forces.

Finally, let us consider the issue of capital equipment acquisition. At present, the department has inadequate numbers and expertise, both military and civilian, to execute the existing capital acquisition plan, the so-called strategic capital investment plan, the SCIP.

In the last six months, those responsible for advancing capital acquisition



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projects have missed 90% of their milestones. When that particular staff was twice its current size, it took an average of 15 years to process major acquisitions. Today, existing approaches to military acquisitions, and the dearth of project expertise, lead to the troubling conclusion that transformation of the Canadian Forces, based on the implementation of the existing plan, would not be possible before the year 2020.

Capital equipment procurement procedures, we believe, must therefore be changed. Should the government and the Department of Defence follow existing public administration practices, a long period of dormancy awaits many military capabilities. As a consequence, some of these capabilities will be lost. I will cite only one of many examples, one with which you are already familiar, I am sure.

For all intents and purposes, the Department of National Defence has grounded two thirds of the Hercules tactical airlift fleets. The remaining aircraft are not allowed to transport reservists, given that the dangers and liability costs are unacceptably high.

Given the recent decision by Air Canada to sell its passenger and freight configured 747B combi aircraft, the government has virtually no credible air transport capability at its disposal. This committee can appreciate the pressures a politician would endure during a national disaster, as the armed forces tender a contract for airlift or wait for allied assistance.

Mr. Chairman, ladies and gentlemen, the execution of government policy is a daily business based on the nature of the problem and the tools at hand. Canada is currently suffering an indeterminate period of shortage of military tools. The length of that period is governed not by a lack of vision, leadership, defence policy, or even money--the department is currently unable to spend the capital account--but by the inefficiencies of the public administration of defence.

It is therefore recommended that SCONDVA focus attention on the external and internal impediments to the public administration of defence policy by examining government policies and organization and management practices that together are meant to produce and sustain military capabilities, but in fact in many cases impede and even degrade them. The Conference of Defence Associations would be honoured to contribute more to this very important debate. I have made available to you this morning a copy of a document designed for that very purpose, and we are, of course, more than pleased to contribute anything else we may be called upon to contribute.

The government currently finds itself in a period in which its foreign policy options are fewer in number than they could be, in part because of the limitations of its military--this at a time when options, we think, would need to be greater in number. The loyal, disciplined force of last resort, the Canadian armed forces, should not find itself ill-equipped and under strength at this juncture.

The CDA believes that impediments to the public administration of defence are in Canada's foreign policy decision-making critical path and need to be reduced or eliminated. If they aren't, the required transformation of the Canadian Forces will suffer time delays that will put the men and women of the Canadian Forces at risk and continue to provide Canada with a limited number of security, defence, and foreign policy options.

Mr. Chairman, ladies and gentlemen, we would now be pleased to answer any questions you may have.

Mr. Dave MacKenzie (Oxford, CPC): I was quite interested in your comments with respect to procurement. If I understood you correctly, you're indicating that we've cut the staff in half. Are you anticipating that will cut the length of procurement in half, or double it?

LGen Richard Evraire: By our mathematics, it will double it, simply because

