

National
Defence

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National Defence

2006–2007

Report on Plans and Priorities



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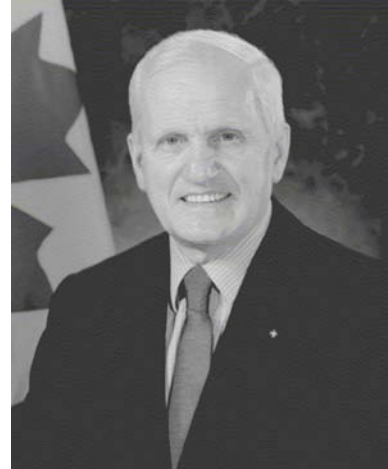
Minister's Message

As Minister of National Defence, I am honoured to present to Parliament the 2006-2007 Report on Plans and Priorities.

This year's report should be viewed as transitional. Since the last reporting period, Treasury Board has approved a Program Activity Architecture that established three clearly defined and measurable strategic outcomes for National Defence:

- relevant and credible capacity;
- success in assigned missions; and,
- influence in the global community.

However, National Defence has been under significant pressure for a number of years and achieving all three strategic outcomes will take time. In addition to new equipment, the Canadian Forces need more trained effective personnel, stable funding and a coherent defence plan that balances and integrates the previous government's 2005 Defence Policy Statement with this government's *Canada First* strategy.



The government has already demonstrated its intent to rebuild the Canadian Forces. Budget 2006, combined with the commitments of Budget 2005 is expected to provide National Defence with approximately \$20 billion in additional expenditure authority for the five-year period ending 2010/11. Moreover, in its first 120 days in office, the government has taken tangible action to address critical sea, land and air capability requirements, and announced plans to acquire:

- Joint Support Ships
- Strategic airlift
- Tactical airlift
- Medium/heavy lift helicopters
- Medium Logistics Trucks

Taken together, these announcements represent the most significant investment in the Canadian Forces in three decades and demonstrate the government's resolve to follow through on its commitments.

This new equipment will enhance the Forces' ability to deliver success on operations in three critical roles, beginning with the protection of Canadians – our military's overarching priority. In this capacity, the Forces will perform essential national responsibilities, such as the surveillance and the protection of our territory and approaches. They will stand ready to assist civilian authorities in responding to natural disasters and major emergencies, including terrorist attacks, as well as maintain their ability to conduct search and rescue operations.



Furthermore, the Canadian Forces will continue to defend North America in cooperation with the United States, our principal defence and security partner. We will pursue a number of initiatives on this front, including the full implementation of the renewed and expanded NORAD Agreement.

Finally, the Forces will defend Canadian interests abroad. Indeed, events in New York, Washington, Bali, Madrid and London demonstrate that the world remains dangerous and unpredictable. It is in Canada's national interest to address threats to our sovereignty and security before they reach our shores. As part of this effort, at the request of the Afghanistan government, and under a United Nations mandate, Canada is leading NATO's expansion into southern Afghanistan. Our 2,300 Canadian troops in theatre continue to shoulder a great responsibility, but they are well-led, well-trained and well-equipped. Even as they help the people of Afghanistan rebuild their country, they are playing a leadership role on the world stage and protecting Canada from terror.

In the coming months, the Government will finalize the development of a Defence Capabilities Plan that will provide a road-map for the revitalization of the CF. This plan will include:

- recruiting an additional 13,000 Regulars and 10,000 Reserves;
- investing in additional equipment;
- increasing the Forces' capacity to protect our Arctic sovereignty;
- augmenting national surveillance capabilities along our coasts;
- initiating the establishment of territorial battalions in or near major urban centres;
- improving base infrastructure and housing; and
- reforming the defence procurement process.

This document will also provide guidance on the roles and missions of the Forces and their equipment priorities. While moving forward with this plan will involve difficult decisions, it will ultimately produce a navy capable of operating along Canada's three coasts and internationally, a robust army and a revitalized air force that can work as an integrated and effective team anywhere in the world.

To protect our country, the Canadian Forces rely on the dedication and commitment of all members of the Defence team – military and civilian. I am proud to be leading this vital national institution. I also look forward to working with Canadians and Parliamentarians to strengthen the Forces and support our courageous men and women in uniform as they perform their essential mission.

The Honourable Gordon J. O'Connor, PC, MP
Minister of National Defence



Management Representation Statement

I submit for tabling in Parliament, the 2006–2007 Report on Plans and Priorities (RPP) for the Department of National Defence.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2006–2007 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- it adheres to the specific reporting requirements outlined in the Treasury Board Secretariat (TBS) guidance;
- it is based on the department's approved Program Activity Architecture (PAA) as reflected in its Management, Resources and Results Structure (MRRS);
- it presents consistent, comprehensive, balanced and reliable information;
- it provides a basis of accountability for the results achieved with the resources and authorities entrusted to DND/CF; and
- it reports finances based on approved planned spending numbers from the Treasury Board Secretariat in the RPP.

W.P.D. Elcock
Deputy Minister



Section 1: Overview



The Defence Mission

The Defence¹ mission is to defend Canada and Canadian interests and values while contributing to international peace and security. The Canadian Forces² (CF) are called upon to fill three major roles: protect Canada; defend North America in co-operation with the United States; and contribute to international peace and security.

The Defence Portfolio

The Department of National Defence (DND), the Canadian Forces and a group of related organizations and agencies, including the Communications Security Establishment (CSE) and Defence Research and Development Canada (DRDC) carry out the Defence mission.

The CF also maintain the following:

- a police service, comprising the Military Police and the National Investigation Service, operating under the technical supervision of the Canadian Forces Provost Marshal;
- a justice system, administered under the superintendence of the Judge Advocate General;
- chaplaincy services;
- extensive communications networks in Canada and abroad;
- firefighting services;
- medical and dental services, because CF members are excluded from both the *Canada Health Act* of 1984 and the Public Service Health Care Plan;
- youth programs, specifically the Canadian Cadet Program and the Junior Canadian Rangers;
- the Canadian Defence Academy;
- the Canadian Forces Grievance Authority;
- the Canadian Forces Housing Agency; and
- the Canadian Forces Personnel Support Agency.

¹ The Department of National Defence (DND), the Canadian Forces (CF) and the organizations and agencies that make up the full Defence portfolio are collectively referred to as Defence.

² The Canadian Forces (CF) comprise four integrated operational commands: Canada Command, Canadian Expeditionary Force Command, Canadian Special Operations Forces Command and Canadian Operational Support Command as well as three environmental commands: the Navy, Army and Air Force.



Defence also includes the following organizations that report directly to the Minister of National Defence:

- the Office of the Judge Advocate General;
- the Office of the Ombudsman for the Department of National Defence and the Canadian Forces;
- the National Search and Rescue Secretariat; and
- the Office of the CSE Commissioner.

The *National Defence Act* establishes DND and the CF as separate entities operating in close co-operation under the authority of the Minister of National Defence. The Minister of National Defence has specific responsibilities under the Act, as well as responsibilities for the administration of other statutes, regulations and orders listed in Appendix A. The Act also designates that the CF are headed by the Chief of the Defence Staff, who is Canada's senior serving officer "and who shall, subject to the regulations and under the direction of the Minister, be charged with the control and administration of the Canadian Forces."³

Two organizations, the CF Grievance Board and the Military Police Complaints Commission do report to the Minister of National Defence but are not part of the Department of National Defence. This reporting and organizational arrangement and status is designed to ensure accountability while maintaining an 'arms length' relationship.

Specific accountability for results and associated performance measurement areas at the level of the Assistant Deputy Ministers and the Environmental Chiefs of Staff are detailed in the Defence Plan On-Line. The National Defence Headquarters organization chart is found in Appendix C.

Benefits of Defence Investment

The Defence mission is to protect Canada and Canadian interests. In the years to come, Defence will be better able to conduct its fundamental roles to meet the evolving security environment. The Chief of the Defence Staff is responsible for transforming the CF to better defend Canadian security, protect Canadian interests and values, and enhance Canada's role in the world. The ability to respond to the needs of Canadians is at the centre of the transformation process.

As part of the transformation strategy, the CF will better integrate maritime, air, land and special operations forces to allow units to work as one unified team. On July 1, 2005, Canada Command (Canada COM) was created as a cornerstone of transformation. As an integrated national operational command headquarters, Canada COM allows the CF to deploy the best military assets to meet any emergency, anywhere in Canada. When a domestic crisis occurs—whether it

³ *National Defence Act*, Article 18(1).



is a natural disaster or a terrorist attack—the combined response will be immediate, co-ordinated and sustained. The defence of Canada is the CF's first priority. In addition, Canada COM is also responsible for North American operations. Working in cooperation with the US, Canada COM's responsibilities include the protection and security of North America.

The Government is also committed to multilateral co-operation as the foundation for a safer and more secure world. To this end, the CF are increasing their capacity to conduct international operations, especially in failed and failing states where many current threats, including terrorism, originate. While Canada COM forms the centrepiece of operations at home, the CF established the Canadian Expeditionary Force Command (CEFCOM) on February 1, 2006, to bring under one command maritime, land and air force assets to conduct humanitarian, peace support or combat operations wherever they are required internationally.

Since April 2005, over 4,700 CF personnel have been deployed on various missions. Currently, Canada has over 2,900 personnel deployed across the globe to defend Canadian values and interests while contributing to international peace and security.

As the Canadian Forces undergo extensive transformation, there are changes that need to be implemented to accompany this transformation. In addition, there are changes that need to be made to keep in line with ongoing departmental reforms and with changes that are currently happening within the Government as a whole. As it is crucial that the overall Defence Institution remains coherent and aligned, the Deputy Minister has stood-up a division to oversee the three broad thrusts of Institutional Alignment: coherence between a transformed CF and the Department; ongoing departmental initiatives; and alignment with broader Government of Canada priorities.

An example in support of the Canadian Forces transformation would be the consolidation of elements in the departmental Materiel Division that are primarily focused on the delivery of operational support into a single division and its subsequent transfer to the newly established Canadian Forces Operational Support Command (CANOSCOM) on February 1, 2006.

An example where the three thrusts are interrelated is an existing initiative that has implications for both how the Department supports the Canadian Forces transformation as well as how it responds to the Government's overall agenda is a new departmental procurement strategy that reduces time, cost and risk. The following are key components of this strategy: 1) develop high-level outcome/capability-based statements of requirement (SORs); 2) use performance-based specifications in RFPs; 3) maximize use of military/commercial off-the-shelf solutions (MOTS/COTS); and 4) minimize customization/Canadianization.

At home, Defence will benefit Canadian society in a number of other ways. As National Defence is Canada's largest public sector employer, defence spending and investment brings prosperity to Canadian communities, businesses and industries. Through research and development initiatives, Defence provides leadership in technological innovation and scientific research. In addition, Defence assists health care agencies in major emergencies and helps protect the environment by participating in the clean up of contaminated sites.



The ultimate goal for Defence in fiscal year 2006–2007 is to ensure the CF can defend Canada, protect Canadian interests and values, and enhance Canada’s role in the world by maintaining multi-role, combat capable defence forces able to operate in the dangerous and complex 21st century.

Financial Resources

(\$ Thousands)	Actual Spending 2005–2006	Planned Spending 2006–2007	Planned Spending 2007–2008	Planned Spending 2008–2009
Departmental Spending	\$14,682,343	\$15,463,816	\$17,355,422	\$19,317,790
Capital Spending¹	\$2,237,401	\$2,499,609	\$3,573,764	\$4,501,797

Source: Assistant Deputy Minister (Finance and Corporate Services)

Note:

1. Included in Departmental Spending

Human Resources – Full Time Equivalents (FTEs)

(FTEs)	Actual 2005–2006	Planned 2006–2007	Planned 2007–2008	Planned 2008–2009
Military (Regular Force)	61,740	63,461	64,519	65,372
Civilian	23,018	24,169	25,378	26,646
Total	84,758	87,630	89,897	92,018

Source: Chief Military Personnel (Formerly Assistant Deputy Minister (Human Resources - Military)) and Assistant Deputy Minister (Human Resources - Civilian)

Expenditure Management Review

The Expenditure Review Committee (ERC) target for fiscal year 2006–2007 is \$88M. This is the second year of scheduled reductions as the Department works toward the \$203M steady-state reduction in demand from fiscal year 2009–2010 onward. Approximately 19 percent of the fiscal year 2006–2007 total is to be achieved through a combination of a reduction in the cost of contractors (\$8.3M) and the savings resulting from the conversion of a number of contractors to civilian employees within DND (\$8.3M). The remainder will be achieved through a wide range of program and corporate efficiencies, including a \$5.6M reduction to funding for National Capital Region (NCR) personnel and services. With the exception of the ongoing study by the Assistant Deputy Minister (Information Management) to identify \$20M savings in Information Technology (IT) infrastructure support by fiscal year 2009–2010, all ERC targets have been assigned and internal supplies reduced accordingly.

Key Partners and Stakeholders

Defence works with many Canadian and international partners that help support its mission, programs and activities. The broad scope of the Defence mandate is reflected in the complexity and diversity of its partners and stakeholders, listed in Appendix B.



Program Activity Architecture (PAA)

Treasury Board approved Defence's new Management, Resources and Results Structure (MRRS) on August 30, 2005. In accordance with Treasury Board policy, Defence's MRRS consists of three elements: a Program Activity Architecture (PAA); clearly defined and measurable strategic outcomes; and a description of the current governance structure, which outlines the decision-making mechanisms, responsibilities and accountabilities of the Department. These are described below.

The **three strategic outcomes** for Defence are as follows:

- Canadians' confidence that DND and the CF have relevant and credible capacity to meet defence and security commitments;
- Success in assigned missions in contributing to domestic and international peace, security and stability; and
- Good governance, Canadian identity and influence in a global community.

Each program profiles three levels of activity (labelled program activity, program sub-activity and program sub-sub-activity). Each program's set of activities is causally linked to produce a predominant output for the program, and each program output contributes or leads to a strategic outcome.

An added construct, Executive and Corporate Services, provides a place to list all organizational entities that are not directly related to programs, with the associated resources redistributed across the three programs on a pro-rated formula.

Defence's PAA structure sits above and is separate from the organizational and financial structure as represented by the Level One (Assistant Deputy Minister-level) organizations. An electronic interface links the organization identification numbers and the associated financial tracking system consisting of fund centres and cost centres, plus the separately tracked Work Breakdown System accounts, for each Level One organization with the PAA at the sub-sub-activity level.

The **governance structure** outlines the decision-making mechanisms, responsibilities and accountabilities of the Department. It consists of the following:

- a corporate governance structure operates department-wide at the highest level to provide strategic, resource and management direction, decision-making and accountability for the whole institution and its programs;
- each of the program activities also has a program governance structure to guide program development and effectiveness, provide advice on the key contributing processes, and ensure accountability for program outcomes and results; and



- lastly, the overall business model, with its major processes and functional activities, has an associated process and functional governance structure to ensure effective process and functional management, functional policy alignment and integration of each process to the whole business model.

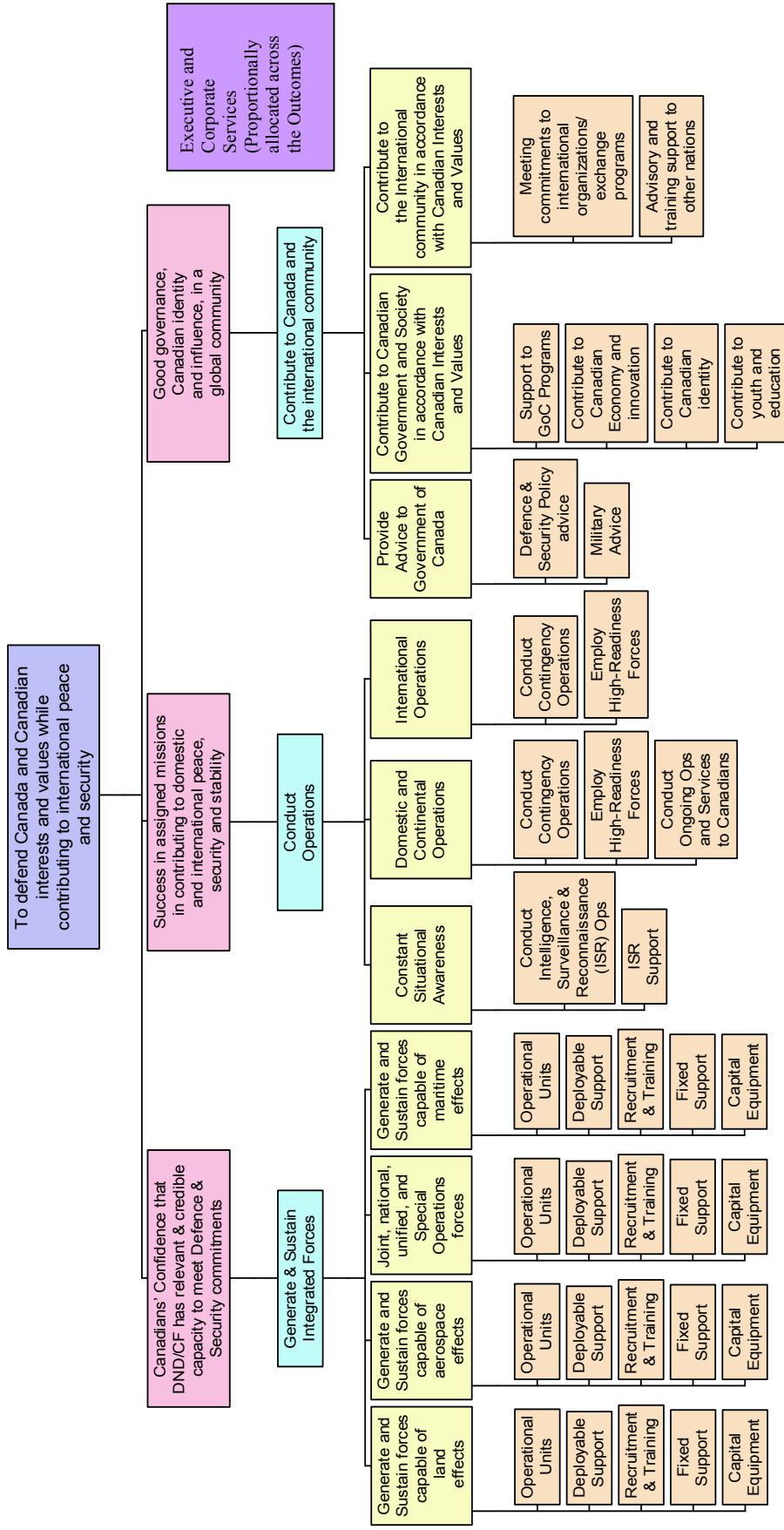
Defence will use the MRRS to underpin departmental planning, Defence Plan management, resource planning and management, and performance monitoring and reporting, especially external reporting. Initial implementation has commenced with the beginning of fiscal year 2006–2007. Section 2 provides an analysis of planned program activities by strategic outcome.

Two crosswalk tables can be found in Section 3 comparing the Interim Program Activity Architecture (IPAA) to the approved Program Activity Architecture (PAA) and the Planning, Reporting and Accountability Structure (PRAS) to the PAA, including a redistribution of financial resources.

The following chart summarizes the PAA structure for National Defence.



Department of National Defence - Program Activity Architecture (PAA)



← ← ← ← ←

FMAS Fund Centres / Cost Centres - Level One Organizations



Corporate Priorities for 2006–2007

Each year, Defence establishes priorities to guide its initiatives in response to the government's agenda. The following priorities are aligned to the program activities identified above and set the tone for the transformation challenges facing the Department in the years ahead.

Protect Canadians—Through the “Conduct Operations” program activity, Defence will:

- conduct operations at home and abroad; and
- enhance operational partnerships with other government departments, key security agencies and allies.

Transform and Modernize the CF— Through the “Generate and Sustain Relevant, Responsive, Effective, Combat-Capable, Integrated Forces” program activity, Defence will:

- adopt a fully integrated and unified approach aligning force structure to ensure operational effectiveness. Key initiatives include the further development of Canada Command (Canada COM), six Area Joint Task Forces, the Canadian Expeditionary Force Command (CEFCOM), a Canadian Special Operations Forces Command (CANSOFCOM), a Canadian Operational Support Command (CANOSCOM), a Military Personnel Command (MILPERSCOM), a Strategic Joint Staff, a Rapid Reaction Force, Mission Specific Task Forces and a managed readiness system to enhance CF ability to generate and deploy integrated forces; and
- adopt an integrated and strategically driven Force Development framework and process, including expanding the Regular and Reserve forces, ensuring they are well trained and well equipped, and developing a diverse and highly motivated Defence Team.

Foster Management Excellence in the Defence Institution—Through the “Generate and Sustain Relevant, Responsive, Effective, Combat-Capable, Integrated Forces” program activity, Defence will:

- enhance strategic investment planning and accelerate the activities of procurement reform; and
- ensure successful implementation of modern comptrollership initiatives and the *Public Service Modernization Act*.



Contribute to the International Community in Accordance with Canadian Interests and Values—Through the “Contribute to Canadian Government, Society and the International Community in Accordance with Canadian interests and Values” program activity, Defence will:

- expand strategic partnerships with key security departments and other government departments and agencies; and
- continue to strengthen defence and security arrangements with the United States to enhance domestic and continental security, and with Canada’s allies to enhance international security.



Relationship Between Corporate Priorities for Defence and Program Activities

The following “crosswalk” table was developed to show the relationship between Defence’s corporate priorities and program activities. This link ensures that high-level performance measurement and resource information for corporate priorities and related initiatives is reported through the program activities.

CORPORATE PRIORITIES 2006-2007	PROGRAM ACTIVITIES			
	GENERATE AND SUSTAIN INTEGRATED FORCES	CONDUCT OPERATIONS	CONTRIBUTE TO CANADA AND THE INTERNATIONAL COMMUNITY	TYPE OF PRIORITY
Protect Canadians through the Conduct of Operations				
<ul style="list-style-type: none"> Conduct operations at home and abroad; and 		■	□	O
<ul style="list-style-type: none"> enhance operational partnerships with other government departments, key security agencies and allies. 		■	□	O
Transform and Modernize the CF				
<ul style="list-style-type: none"> adopt a fully integrated and unified approach aligning force structure to ensure operational effectiveness. Key initiatives include the development of Canada COM, six Area Joint Task Forces, CEFCOM, CANSOFCOM, CANOSCOM, MILPERSCOM, a Strategic Joint Staff, a Rapid Reaction Force, Mission Specific Task Forces and a managed readiness system to enhance its ability to generate and deploy integrated forces; and 	■	□	□	N
<ul style="list-style-type: none"> Adopt an integrated and strategically driven force development framework and process, including expanding the Regular and Reserve forces, ensuring they are well trained and well equipped, and developing a diverse and highly motivated Defence Team. 	■			N
Foster Management Excellence in the Defence Institution				
<ul style="list-style-type: none"> Enhance strategic investment planning and accelerate the activities of procurement reform; and 	■			N
<ul style="list-style-type: none"> Ensure successful implementation of modern comptrollership initiatives and the <i>Public Service Modernization Act</i>. 	■		□	N
Contribute to the International Community in Accordance with Canadian Interests and Values				
<ul style="list-style-type: none"> Expand strategic partnerships with key security departments and other government departments and agencies; and 		□	■	O
<ul style="list-style-type: none"> Continue to strengthen defence and security arrangements with the United States to enhance domestic and continental security, and with Canada’s allies to enhance international security. 		□	■	O
Legend: O = Ongoing N = New ■ = Primary □ = Secondary				



Transform and Modernize the CF

Conceive and Shape the Force

The new security environment requires that the CF maintain multi-role, combat-capable defence forces while integrating and increasing their interoperability with Defence partners. This approach will become more important in the future, as the CF operate increasingly within the context of failed and failing states, including complex urban areas. The CF must also strike a balance between the capabilities required for domestic defence and those required to support international operations. To achieve this vision, the CF will transform their command structure and introduce new groups of capabilities.

Build the Force

Present and future policy decisions will guide the CF through this period of transformation. Paramount to this transformation is the requirement to improve Defence's domestic Command and Control (C2) presence and to better meet its international obligations. To achieve this, the CF established a new national command structure. In doing this Defence made a clear delineation between the strategic and operational levels of command by creating a dedicated Strategic Joint Staff and four operational-level command structures. The transformation is continuously being monitored, with the first operational readiness objective – the stand-up of commands having been achieved on February 1, 2006. The result will be a more efficient and responsive Canadian Forces C2 structure. The new command structures are described below.

Canada Command (Canada COM). Located in Ottawa, but separate from National Defence Headquarters (NDHQ), Canada COM is the sole authority for the conduct of all routine and contingency domestic operations in Canada, except those operations that, by law, must be executed under the direct command of the Chief of the Defence Staff. Canada COM views the country as a single operational area with the national headquarters exercising command and control via six asymmetric, subordinate commands, which reflect the regional nature of the country. A single Combined Forces Air Component Command (CFACC), located in Winnipeg, coordinates and tasks all air support to Canada COM and the subordinate Joint Task Forces (JTF), including Joint Task Force North (JTFN). The six regional headquarters support Canada COM by focusing their assigned forces on domestic operations planning, including provincial and municipal co-ordination and interagency liaison. In addition, Canada COM is responsible for any operations the CF undertake jointly with the US military in North America either directly or through the CFACC who will continue to function as the Canadian North American Aerospace Defence (NORAD) region commander. It also serves as the point of contact and liaison with NORAD and US Northern Command (US NORTHCOM).

The **Canadian Expeditionary Force Command (CEFCOM)** is a key element of the new vision of the CF. Understanding that security in Canada ultimately begins with stability abroad, CEFCOM will ensure the CF are able to address threats to Canadian security beyond Canada's borders.



Co-located with Canada COM in Ottawa, CEFCOM is the sole operational authority for the conduct of all international operations, with the exception of operations conducted solely by elements of Canadian Special Operations Forces Command (CANSOFCOM) and for those continental operations under the command of Canada COM. CEFCOM establishes national and operational-level command and support structures, in theatre, for CF units deployed overseas, while ensuring that the maritime, land and air assets needed to conduct humanitarian, peace support or combat operations remain under national command.

CEFCOM sets the standards for integrated training and final certification of assigned forces, ensuring that all units and personnel selected to conduct overseas duties are fully trained and ready to do so.

The **Canadian Special Operations Forces Command (CANSOFCOM)** is composed of Joint Task Force 2 (JTF2), the Canadian Forces' special operations and counter-terrorism unit, the Joint Nuclear, Biological and Chemical Defence Company, the Canadian Special Operations Regiment, and 427 Special Operations Aviation Squadron. CANSOFCOM provides the CDS and operational commanders with agile, high readiness Special Operations Forces capable of conducting special operations across the spectrum of conflict at home and abroad and of responding to terrorism and threats to Canadians and Canadian interests around the world.

The **Canadian Operational Support Command (CANOSCOM)** provides an operational-level command capable of supporting all CF operations, domestic and international. With selected core resources assigned on a full time basis and authority to force generate additional resources as necessary, CANOSCOM provides the CF with a full range of command support, communications and information systems, and services such as health care, military engineering, logistics, land equipment maintenance, and military police.

Completing this command structure is the Strategic Joint Staff, located in NDHQ. Maintaining an around the clock capability, the Strategic Joint Staff provides timely advice to the Chief of the Defence Staff in his role as the Government's principal military advisor, enabling him to exercise effective command at the highest level.

From a more force structure perspective, the CF will place a premium on lighter, more mobile forces, capable of deploying rapidly and sustaining operations for extended periods. These forces will include the Canadian Special Operations Forces Regiment, the Rapid Reaction Battalions and other mission-specific task forces.

The **Canadian Special Operations Regiment (Cdn Spec Ops Regt)** will be a high-readiness, agile and robust special operations force capable of supporting and conducting a broad range of special operations missions. Defence will enlarge Joint Task Force 2 to enhance its ability to carry out missions at home and abroad, either alone or with other elements of CANSOFCOM.

As part of the overall CF expansion, four new **Rapid Reaction Battalions** will also be created. The military will locate these units strategically across the country, in Comox, Trenton, Bagotville and Goose Bay to provide a Regular Force presence and to help ensure



an effective response to natural disasters and terrorist attacks. The Forces will organize these units around key capacities that can be used locally, or transported rapidly to support Canadian Forces operations. Implementation will begin in 2006.

To better respond to domestic emergencies, the Land Force will also create a territorial response capability in centers such as Vancouver, Calgary, Regina, Winnipeg, Niagara-Windsor, Toronto, Ottawa, Montreal, Quebec City, Saint John, Halifax and St John's. In addition, the Land Force, in conjunction with Canada COM, will identify other key capabilities in each region that could be used in a domestic emergency.

The territorial response capability that will eventually be formed will include full-time and part-time personnel in each location. To achieve this capability in an efficient and effective manner, the Land Force will review the current Reserve unit structure in each named location with a view to grouping and/or amalgamating units, as necessary. Where circumstances allow, the territorial battalions may also be supported by other Reserve components, as directed by Canada COM.

Mission-Specific Task Forces (MSTFs) will be deployed as required. These task forces, which will be drawn from forces maintained at different states of readiness and structured for longer deployments, will carry out combat and peace support operations. They will be made up of maritime, land, air and special operations elements. They could be deployed as follow-on forces to CANSOFCOM or the Rapid Reaction Force, or as stand-alone contributors to other operations. The MSTF will also be capable of lead-nation status in multinational peace support operations for limited periods.

Transformation will help ensure the CF can:

- act quickly in the event of domestic or international crises—the CF will arrive on the scene faster, will move more effectively within theatre and will increase their capability to sustain deployments;
- adapt their capabilities and force structure to deal with threats that arise from the kind of instability found in failed and failing states around the world; and
- deploy the right mix of forces—maritime, land, air and special operations—to the right place at the right time, in order to produce the desired result.

Plan the Force

The CF will develop and institutionalize a coherent, centrally driven, long-range Capability-Based Planning (CBP) methodology to identify future CF capabilities within the government's policy and financial framework. CBP is the CF's core capability planning methodology and helps Defence prioritize and manage evolving CF operational capabilities. With this approach, the CF joined their key allies in supporting a more holistic approach to developing force structure.



CBP itself is an alternative to threat-based planning and represents an attempt to break down traditional stovepipes while providing for transparency and coherence in defence decision-making. This planning method also provides a more rational basis for making decisions regarding future acquisitions and makes planning more responsive to uncertainty, economic constraints and risk. CBP focuses on goals and end-states and encourages innovation. It starts by asking “What do we need to do?” rather than “What equipment are we replacing?” CBP also uses the PRICIE construct (Personnel; Research and development; Infrastructure and organization; Concepts, doctrine and collective training; Information management; Equipment, supplies and services) to break down capabilities into areas of functional responsibility. This process allows the Department to better identify, prioritize and manage evolving operational capabilities within DND and the CF.

Developing defence capabilities is a complex, multi-dimensional task. When planning for and eventually acquiring capabilities, Defence needs to identify the strategic circumstances in which Canada is likely to find itself in the next several decades. Then it must determine the potential and plausible military situations, or scenarios, for which Canada might need to mount a military response. In a departure from past practice, the centrally controlled force-planning scenarios used for capability-based planning in the CF will be based on real-world threats. Defence will use them to assess risk; describe operational considerations, resource requirements and other influencing factors; and rationalize capability requirements.

CBP will also allow for resource prioritization, better business planning, in-year corporate management, performance measurement and transparent reports to the Government. The Joint Capability Requirement Board, which the Vice Chief of the Defence Staff (VCDS) chairs, will be responsible for overall long-term capability planning and top-down guidance to shape the CF. To control the planning and programming activities, Defence created the position of Chief of Programme in June 2006.

Deliver a Future, Multi-role and Combat-Capable Integrated Force

Transformation entails its own risks, as making the CF more relevant also means making difficult choices between obtaining new capabilities, retiring legacy systems and bridging gaps throughout the CF. To control all force development activities, Defence created the position of Chief Force Development (CFD) in April 2006. The CFD will serve as the primary point of contact for, and will co-ordinate the CF response to all international and interagency force development activities, except those initiatives clearly specific to a single environment.

The CFD will ensure that Defence fields all components of the future force structure (people, equipment, training and infrastructure). Key to all force development activities will be CBP. Co-ordinated through the CFD, this methodology will result in clear and unambiguous criteria for the development, integrated employment and performance of all developed capabilities, including their interoperability with the capabilities of Canada’s international, continental and domestic security partners. This centralized process will ensure that the CF fulfill their vision of multi-role, combat-capable, defence forces.



While the corporate priority to transform and modernize the CF is discussed here in detail, the other corporate priorities will be discussed further throughout the document.



Section 2: Analysis of Program Activities by Strategic Outcome



Introduction

The Department's Program Activity Architecture (PAA), described in Section 1, supports the Government of Canada (GoC) outcomes of sustaining Canada's economy, ensuring safe and secure communities and contributing to a safe and secure world. Further details on Defence's role in achieving the GoC outcomes can be found in Treasury Board Secretariat's annual report on *Canada's Performance*. The purpose of this section is to provide detailed information on the National Defence program activities that will contribute to the achievement of the GoC outcomes.

Defence identified **three Strategic Outcomes** to fulfill the Defence mission and achieve results for Canadians. These are:

- Canadians' confidence that DND and the CF have relevant and credible capacity to meet defence and security commitments;
- success in assigned missions in contributing to domestic and international peace, security and stability; and
- good governance, Canadian identity and influence in a global community.

Three Program Activities were identified to align to these strategic outcomes. These form the core of this report.

- Generate and Sustain Relevant, Responsive, Effective, Combat-Capable, Integrated Forces;
- Conduct Operations; and
- Contribute to the Canadian Government, Society and the International Community in Accordance with Canadian Interests and Values.



Generate and Sustain Relevant, Responsive, Effective, Combat-Capable, Integrated Forces

Strategic Outcome: Canadians’ confidence that DND and the CF have relevant and credible capacity to meet defence and security commitments.

Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces — Total Spending Net of Revenues				
Resources	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Departmental Spending (\$ Thousands)	\$12,005,268	\$12,561,091	\$14,575,584	\$16,465,633
Capital Spending (\$ Thousands) (included in departmental spending)	\$2,070,255	\$2,290,763	\$3,353,375	\$4,278,419
Human Resources - Military FTEs ¹	55,202	56,890	57,948	58,801
Human Resources - Civilian FTEs ¹	19,399	20,370	21,388	22,458

1. These FTE numbers are derived from a representative financial formula as there is not a consistent 1:1 relationship between FTEs and programs.

Source: Assistant Deputy Minister (Finance and Corporate Services), Chief Military Personnel (formerly Assistant Deputy Minister (Human Resources - Military) and Assistant Deputy Minister (Human Resources - Civilian)

The focus of the first program activity is to measure the ability of Defence’s high-readiness forces to meet defence and security commitments. Its scope encompasses all aspects from creating a responsive organizational structure, recruiting, equipping forces, and training forces for operations. It supports the corporate priority to transform and modernize the CF.

This program activity comprises four program sub-activities that will sustain the anticipated operational tempo for both planned and contingency operations at appropriate readiness levels and generate surge forces to meet unexpected demands. The four **program sub-activities** supporting the “Generate and Sustain Relevant, Responsive, Effective Combat-Capable, Integrated Forces” are described below.

- Generate and Sustain Integrated, Operational Forces Capable of Maritime Effects
- Generate and Sustain Integrated, Operational Forces Capable of Land Effects
- Generate and Sustain Integrated, Operational Forces Capable of Aerospace Effects
- Generate and Sustain Joint, National, Unified and Special Operations Forces



Generate and Sustain Integrated, Operational Forces Capable of Maritime Effects

The navy will continue to advance the development and implementation of maritime security capabilities.

It will continue to deliver on currently assigned capabilities, missions and tasks in accordance with the Defence Plan. Fleet deployments, sustainment and joint interagency interoperability will be primary objectives in the execution of the plan.

An ageing fleet of warships pose significant challenges for generating and sustaining combat-capable integrated naval forces, but the first steps have already been taken in reshaping the navy, not only to meet evolving defence and maritime security challenges in a highly uncertain future, but also to provide Canada with a navy capable of operating off the East and West coasts as well as in the Arctic, an area of increasing importance.

Starting in 2012 the first Joint Support Ship (JSS) will be delivered as a replacement to the Protecteur class replenishment vessels. Furthermore, as the Halifax class ships near their mid-life in the next few years, work is being advanced to ensure that the surface fleet remains effective and combat capable until it is eventually replaced.

Generate and Sustain Integrated, Operational Forces Capable of Land Effects

Land Force Command (LFC)'s mission is to generate and maintain combat capable, multi-purpose land forces to meet Canada's defence objectives. *The Army Strategy: Advancing with Purpose* remains the authoritative reference for all LFC strategic plans. The direction included in the *Army Strategy* and the Five Year Plan, the Strategic Operations and Resource Direction (SORD) will provide the framework for strategic decision-making upon which the demands of each of the army's lines of operations are to be rationalized.

The LFC Programme will ensure disciplined training and the validation of soldiers for domestic and international operations. Additionally, LFC will adhere to the army Managed Readiness Plan (MRP), which will continue to be refined as lessons are learned and efficiencies revealed, to ensure predictability of employment and maximum efficiency in the conduct of training, personnel employment, and resource expenditure.

The 5K/3K Force Expansion Program, announced in Budget 2005, will continue with the arrival of significant numbers of new soldiers to reinforce the field force as early as fiscal year 2007–2008. Budget 2006 announced the plan to accelerate the recruitment of 13,000 Regular Force and 10,000 Reserve Force⁴. The challenge for the Chief of Land Staff (CLS) will be to train and validate its allocation of this increase.

⁴ Includes the initial 5K/3K Force Expansion Program announced in Budget 2005.



Treasury Board further approved on June 22, 2006, two major projects that will contribute to CLS transformation. The Medium Support Vehicle System project will modernize the aging Medium Logistics Vehicle Wheeled fleet. It will provide the platform for embedded unit logistics; provide mobile support facilities, such as field kitchens, workshops and medical facilities; and effect re-supply operations to deliver reinforcements and supplies. The Medium-to-Heavy-Lift Helicopter project will provide safe and effective movement of CF troops and equipment in hostile environments, both domestically and internationally and in support of land forces and special operations forces.

Sustainability will be achieved by maintaining the balance between the elements of the institutional army (command and control, field forces, training and support). Although past investments in infrastructure, garrison support, environmental oversight and other factors have resulted in improvements, the resources necessary to sustain both the field force and the institutional army have increased. As a result, a sizeable gap remains, which will require difficult choices.

During this fiscal year, the LFC will maintain a high tempo of force generation and operational employment that may need to be sustained indefinitely. At the same time, the army will pursue and conform to CF Transformation while integrating and remaining sustainable. Achieving and maintaining a balance between operations, transformation and sustainment will not be easy, however, it is critical to the success of CF Transformation. Several years of transformational activities have enhanced LFC's ability to simultaneously expand the army and generate forces for operations.

Generate and Sustain Integrated, Operational Forces Capable of Aerospace Effects

The air force will continue to participate in operations contributing to the defence of Canada and North America and the promotion of security and Canadian values around the world. The air force is fully integrated with other components of the CF, NATO and NORAD, and works in combination with allied and coalition forces, or with partners in Canadian government organizations and other agencies. The air force is reinvesting in overall fleet management, resulting in an improvement in support of existing fleets. Resolutions to the significant challenges associated with the air mobility fleet are being championed this year. The air force will ensure that all airmen and airwomen are trained, educated, equipped, fully engaged and prepared to meet the demands of the future, while continuing to generate forces for domestic operations in support of Canada Command and NORAD.

Over the next 15 years, the air force will leverage new technologies to deal with asymmetric threats and will increasingly use space-based technology, such as satellites for beyond-line-of-sight communications and domain awareness. High priority will be given to the posturing of the air force to receive and operate the new strategic and tactical airlift capabilities, Fixed Wing Search and Rescue capabilities, and Medium to Heavy Lift Helicopters. The air force will work closely with the project management staff to mitigate process challenges to enable the rapid integration of these new capabilities into CF operations.



The Canadian Forces Aerospace Warfare Centre (CFAWC), established to enable rapid capability development, will serve as the engine of air force transformation and will work closely with other centres of excellence to develop aerospace power doctrine, explore new concepts and make best use of lessons learned from CF deployed forces to improve the effective evolution of aerospace power.

Significant challenges remain with regard to equipment and personnel. By the end of this fiscal year, it is expected that the air force will be strengthened and reinvigorated with newly trained personnel, new capabilities and a more robust CFAWC.

Additional information on these and other major projects can be found at:
http://www.vcds.forces.ca/dgsp/00native/rep-pub/ddm/rpp/rpp06-07/MCP_e.pdf

Generate and Sustain Joint, National, Unified and Special Operations Forces

Key initiatives under this program sub-activity will include the following major transformation initiatives already underway in Defence. The CF will:

- continue to develop **Canada Command** (Canada COM) and the Joint Task Forces;
- continue to develop the **Canadian Expeditionary Force Command** (CEFCOM);
- continue to develop the **Canadian Operational Support Command** (CANOSCOM);
- develop the capability to deploy joint formations of a **Canadian Special Operations Forces Command** (CANSOFCOM), a Rapid Reaction Force, and mission-specific task forces; and
- develop an **Integrated Managed Readiness System** to enhance Defence's planning ability to generate and deploy integrated forces.

Canada Command (Canada COM)

Canada COM will ensure Defence is prepared to do the following:

- protect Canada by providing unity of command, and command and control, over all military efforts related to the defence of Canada within the Canada Com Area of Operational Responsibility, such as Aid of the Civil Power, assistance to federal and provincial law enforcement agencies, and counter-terrorism support, as requested or directed; and
- defend North America in co-operation with US NORTHCOM and NORAD.



Canadian Expeditionary Force Command (CEFCOM)

One of the CF's roles is to contribute to international peace and security. CEFCOM's contribution to this role is the conduct of fully integrated global operations, across the spectrum from humanitarian assistance to combat, in concert with national and international partners to achieve timely and decisive effects in support of Canada's national interests.

CEFCOM's focus is on making a difference wherever it employs Canadian Forces personnel. As such, it is evolving its operational-level capabilities to command international operations involving up to 5,000 deployed military personnel.

Canadian Special Operations Forces Command (CANSOFCOM)

With respect to special operations capabilities, the CF will do the following:

- establish the **Canadian Special Operations Regiment** (Cdn Spec Ops Regt) as a new joint unit within the CF. The Cdn Spec Ops Regt will be a high-readiness, agile and robust special operations force capable of supporting and conducting a broad range of missions at home and abroad. Members of this unit will be recruited from across the Canadian Forces and will be composed of personnel from the maritime, land and air forces, both regular and reserve. As a part of CANSOFCOM, the unit will be capable of generating direct action company groups and special forces elements, as well as mission specific and Rapid Reaction Forces. At end-state, the unit will be capable of generating a special operations task force headquarters for limited periods. The regiment will reach initial operational capability (IOC) by August 2006 with full operational capability (FOC) expected in fiscal year 2009–2010. Personnel posted to Cdn Spec Ops Regt will be screened and selected to meet the demanding needs of a special operations unit. As a high-readiness force, the Cdn Spec Ops Regt will be resourced at a high level of priority;
- enlarge Joint Task Force 2 (JTF2) to enhance its ability to carry out missions at home and abroad, either alone or with other elements of CANSOFCOM;
- reassign 427 Tactical Helicopter Squadron to provide dedicated and high readiness specialised aviation capabilities in support of CANSOFCOM's special operations activities. Residual command responsibilities will remain with 1 Canadian Air Division and any unused capacity of 427 Squadron may be tasked in support of Canada COM;
- expand the Joint Nuclear, Biological and Chemical Defence Company to better protect Canadians at home as well as CF units deployed on domestic and international operations; and
- improve special operations training capabilities.



Canadian Operational Support Command (CANOSCOM)

CANOSCOM serves as the link between strategic support provided from Canada and the Environmental Chiefs of Staff-specific support provided to the component command of a CF task force in line with their mission specific requirements. Its creation enables the projection of national support across a single line of communication into, and within, a given theatre of operations whether domestic or international.

In addition to the coordination of force generation of integrated Operational Support Component Command/Groups, CANOSCOM is also responsible for the non-deployable support function, critical to routine support to operations. Drawing on its available national support capabilities or from support resources held by Environmental Chiefs of Staff/Senior Management, CANOSCOM provides routine support to CF contingency operations. Composite in nature, CANOSCOM comprises the full range of command support/communication and information system, health services, general support military engineering, logistics, land equipment maintenance support, and military police.

Integrated Managed Readiness System

Defence will continue to develop a CF integrated managed readiness system to enhance the Department's ability to generate and deploy integrated forces. The navy, the army and the air force will each contribute to the CF's readiness and sustainment efforts through the following:

a. The Navy's Readiness and Sustainment (R&S) Policy

The navy will generate force elements consisting of trained personnel with the right equipment to sustain the anticipated operational tempo for both planned and contingency operations. Generating forces remains very challenging. The aim for fiscal year 2006–2007 will be to maintain high and standard-readiness units with 90% and 70% respectively of their training requirements completed.

The navy's sustainment focus will be on operational capabilities. It will pay particular attention to generating the Composite Contingency Task Group⁵, advancing the operational readiness of submarine capability and conducting maritime domestic surveillance. The navy will maintain its ability to provide a highly skilled team dedicated to maintaining balanced, combat-capable and multi-role maritime forces.

b. The Army Managed Readiness Plan (MRP)

The army MRP has been developed to allow predictability of employment for its soldiers, and to maximize the efficiency with which Defence conducts training, employs personnel

⁵ The Composite Contingency Task Group (CCTG) consists of ships from both Atlantic and Pacific coasts. The CCTG is required by the navy to deliver on assigned defence tasks. Both Atlantic and Pacific coasts continue to have respective National Task Groups.



and expands resources. It will ensure a sustainable generation of land forces for domestic and expeditionary operations.

The army operational staff in Director Land Force Readiness will monitor progress continuously against the MRP. In addition, Director Land Strategic Planning will report on the ongoing progress of the army MRP to the VCDS Strategic Performance Measurement Framework, for regular Defence Management Committee (DMC) briefings. The army MRP will form an integral part of the CF Integrated Managed Readiness System.

c. The Army Reserve

The army reserve will successfully sustain the growth achieved under Land Force Reserve Restructure (LFRR) Phase II and continue to focus on change and growth. With the ongoing development of new and enhanced capabilities and the strengthening of more traditional elements, the army reserve will continue to expand its operational role and importance. The continued integration of the army reserve into the MRP will reinforce the primacy of operations. Army reserve units will continue to provide a solid link to their communities. For additional information on the Reserve Force, see Section 3.

d. The Air Expeditionary Force

The air force is transforming into an expeditionary air force to respond to the force employment requirements of commanders Canada COM, CEFCOM, CANSOFCOM and CANOSCOM. The Combined Forces Air Component Command (CFACC) will force generate Air Expeditionary Units consisting of a command and control element; Tactical Self-Sufficient Units (TSSUs) delivering air power; a Mission Support Squadron delivering integral and close support and an Operational Support Squadron delivering operational oversight and force protection.

The CFACC will ensure sustainable generation of TSSUs across each operational aircraft fleet in support of domestic and expeditionary operations.

Support Capability

Defence requires the necessary support capability to successfully accomplish the Program Activity — “Generate and Sustain Relevant, Responsive, Effective and Combat-Capable Integrated Forces” described above.

The current security environment calls for professional, highly trained armed forces capable of using new technologies effectively in joint, interagency and multinational operations. New technologies offer fast, flexible solutions to such operational problems as delivering force precisely in a war zone or monitoring the flow of refugees in a humanitarian crisis. The CF have embraced these new technologies, and will continue to invest in training and equipping Regular and Reserve personnel to ensure they remain among the best trained, technologically adept sailors, soldiers and air force personnel in the world. DND will also ensure that civilian



personnel remain motivated, qualified and professional people capable of meeting Defence's transformation needs.

In fiscal year 2006–2007, Defence will accomplish this through a number of **projects and initiatives** that will do the following:

- a. develop and sustain an effective, professional Defence Team;
- b. modernize and transform the CF through capital acquisitions; and
- c. optimize resource utilization.

a. Develop and Sustain an Effective Professional Defence Team

i. Human Resources: Military

Under transformation, the CF Personnel System and the organization leading personnel management will need to attain greater operational focus and, in particular, functional re-alignment and cohesion with respect to Human Resources (HR) issues. Over the past couple of years, much effort has been placed in re-defining and re-aligning the CF Personnel System through the Human Resource System Transformation (HRST) initiative to support CF transformation. Measures to address a growing backlog in HR policy development, a new Individual Training and Education (IT&E) management framework and better management and administration of non-environmental military occupations training will be put in place.

Recruitment and Retention

In fiscal year 2006–2007, the CF will continue to face challenges in recruiting that may ultimately affect their capacity to meet overall recruiting and force expansion objectives to grow the Regular Force by an additional 13,000 and the Reserve Force by 10,000.

Despite numerous recruiting and retention efforts, a number of military occupations remain critically short of personnel. These include professional occupations such as: doctors and pharmacists, and operator occupations such as: naval electronics technicians, signal operators, fire control systems technicians, airborne electronic sensor operators, naval weapons technicians and intelligence operators. Indications are that intake estimates will not be sufficient to recover to the preferred manning level within two years. Recruiting and retention of some of these military occupations will remain problematic in the foreseeable future for a variety of reasons, such as elevated academic standards; high medical standards; competition from the private sector; and shortages of certain skill sets in Canadian society.

The CF are standardizing applicant processing procedures across Canada and are implementing e-recruiting, which is also expected to further reduce wait times by improving the accuracy of applicant information. The CF also put in place numerous subsidized and direct entry plans.



The following specific activities are in progress or are planned for fiscal year 2006–2007.

- ***Recruitment***

National Defence will continue to connect with Canadians through a broad range of coordinated, community-based activities to attract and enrol quality recruits. The aim is to make Canadians aware of the unique opportunities, benefits, challenges and rewards of CF careers. To effectively compete for the best people during a period of force expansion, the CF have adopted a robust and cohesive recruiting strategy. A comprehensive National Recruiting Campaign, supported by a National Recruiting Attraction Plan, new advertisements, and appropriate advertising funding is aimed at increasing the number of applicants from which to select suitable candidates. Performance measures are being developed, and results against these measures are expected by 2007.

National Defence will continue to strengthen its CF recruiting infrastructure.

- o National Defence will improve the quality of recruiting staff through enhanced selection and training measures, including the establishment of a permanent Recruiting Training Centre in 2007.
- o National Defence will increase the number of personnel assigned to recruiting centres and will put in place a monitoring system that allows Defence to determine accurate numbers of applicants, their dispositions, and the time for processing. With this information, Defence will act to reduce unnecessary withdrawals and delays. Defence will aim to have this in place in 2007.
- o National Defence will continue to collect information on the criteria and procedures to validate that Defence selection tools are predicting candidate suitability.

National Defence will continue to focus on attracting a diverse applicant pool. Canada's ethno-cultural mosaic is changing, with an increase in immigration from non-European countries. To reflect changes in the labour market, to cultivate diversity and to meet its personnel needs, the CF are building upon the successful community recruiting office in the Indo-Canadian community of Surrey, B.C. by opening a similar office in the Chinese-Canadian community in Richmond, B.C. These initiatives will provide personal contact on a daily basis within these communities, forging stronger relationships based on trust and understanding, and building the foundation for successful recruiting in the future. Additional community recruiting offices will be opened in other major cities across Canada.

The CF will examine the attraction benefits of a bonus for Combat Arms and some air force trades and will continue to offer recruiting bonuses to distressed trades, such as doctors, engineers and certain non-commissioned member technical trades like signal operators, naval technicians, and Fire Control System technicians.



To address the issue of historical delays in obtaining the required medical assessment for recruits, the CF are improving the quality of the forms civilian doctors use to communicate information back to the Recruiting Medical Office. The CF are also implementing conditional enrolments after the second portion of the medical assessment to further reduce waiting times, in those cases where such approval can be reasonably expected.

- ***Retention***

Defence continues to be challenged with personnel tempo, which refers to the sum of the demands military service makes on CF members and their families, such as deployment load, training requirements, other types of time away and workload. The CF are reviewing and evaluating the results of the Human Dimensions of Deployment Study. By dedicating more resources to training, Defence plans to manage the influx of recruits and curb attrition rates that occur when personnel must wait for occupational training. For example, the CF will deploy personnel in 'Employment While Awaiting Training' positions throughout the country so they can gain experience in their given military occupations.

The following are other retention initiatives being pursued in the reporting year.

- o develop fair and effective performance evaluation procedures that motivate, provide performance feedback, recognize exceptional performance and provide developmental opportunities, and that apply at both the individual and team level;
- o restructure military occupations to group occupations and common/generic jobs into career fields to broaden individual career development and meet operational requirements;
- o explore distance-learning initiatives to increase student enrolment while decreasing the amount of time a member has to be away from the home unit and their family; and
- o introduce a personnel-tracking policy in 2006 to collect and monitor a single, complete, national record of a member's or unit's time away.

The CF are developing a strategy to modernize their compensation and benefits framework that will include the proposed delegation of certain authorities to the CDS with respect to human resource and compensation policies. This modernization activity is a critical component of the CF's ability to recruit, train, deploy and retain members and is necessary for it to execute the Government of Canada's direction.

Similarly, the CF is examining options to utilize an external committee structure to complement its negotiation process with Treasury Board with respect to compensation matters.



Training

Defence established the Canadian Manoeuvre Training Center (CMTC) at CFB Wainwright to provide world-class, simulated force-on-force collective training—a key institutional capability essential to the implementation of the army strategy. The CMTC will provide a realistic environment in a national training centre for learning and confirming skills up to formation-level battle task standard in all operations. It will also provide the means to evaluate readiness for those task forces conducting theatre, mission-specific training in preparation for operational deployment.

The CMTC will be a key training and evaluation facility designed to improve the operational readiness and effectiveness of tasked forces. It will be the critical link in the army performance measurement system, providing direct evaluation of the proficiency of army units within a collective training environment thus becoming a critical component of the Army Managed Readiness Plan.

The CF will provide members with more operationally relevant training and professional development to ensure mission success in a very dynamic and challenging security environment. As an example, an enhanced Basic Military Qualification (BMQ) for Regular and Reserve Force non-commissioned members will be in place in 2006. This BMQ will ensure that recruits and officer candidates get the same level of operationally-focused initial training, while providing the appropriate leadership development for officers.

Promote Health and Wellness

Efforts to sustain and improve the standard of health care provided to CF members at home and abroad are managed under the umbrella of the Rx2000 project. This project consists of 22 interdependent initiatives in various stages of implementation that, once fully in place, will ensure that CF members have access to comprehensive primary and occupational health care and that the CF have an effective Health Services system that responds to training and operational needs (including those of force generation and force employment).

Priority initiatives for fiscal year 2006-2007 that fall under the auspices of the Rx2000 project include:

- o **Mental Health Care** – Mental health issues account for the greatest percentage decrease in productivity in the CF. The CFHS has developed a model for mental health care that will have a phased roll-out at CF clinics over the next four years; and
- o **Joint Mental Health Care Project** – In partnership with Veterans Affairs Canada and the Royal Canadian Mounted Police, the CFHS is exploring access, care standards and synergistic relationships related to the mental health care of serving and retired members.



The following describe other Health Services priorities that fall outside the Rx2000 project renewal initiative.

- o **Operational Support Structure** – In light of fundamental changes emerging from CF transformation and the evolving international security environment, the CFHS intends to conduct a comprehensive review of its field force structure, in order to ensure that deployable health services units and capabilities are best configured to flexibly support a transformed CF.
- o **Aeromedical Evacuation** – A review of aeromedical evacuation capabilities is currently underway to address the mandate, human resources, medical equipment, and training required to meet the increasing operational tempo and the new CF structure.
- o **Montfort Hospital** – A direct services partnership has been put in place with the public health care sector. The Canadian Forces Health Services Centre Ottawa will be relocated in early 2007 to a new facility under construction at the Montfort hospital.
- o **Canadian Forces Health Information System (CFHIS)** – A component of the CFHIS project is the implementation of an electronic health record that will enable over 5,500 CF health care and dental professionals and managers, located in medical and dental clinics across Canada, to securely share information and coordinate care for 85,000 Regular and Reserve force personnel. In addition to the electronic health record, patient scheduling and registration capability and new clinical applications to support health care delivery will be piloted and implemented, including laboratory and radiology results review for providers requesting these diagnostic tests. This project is a government enterprise solution that will address the Canadian Health Council's call for mandatory electronic patient records.
- o **Injury Prevention** – In fiscal year 2006–2007, the CF propose to launch an injury data collection process at CF medical treatment facilities and develop and implement an injury prevention program.
- o **Health Promotion** –The CF health promotion program *Strengthening the Forces* will introduce additional educational and skill building opportunities by doubling the number of programs that can be locally delivered by the Health Promotion offices at 24 bases and wings across Canada and in Europe. New or updated programs coming on line will include Alcohol, Other Drugs and Gambling Awareness; Managing Angry Moments; Top Fuel for Top Performance; Set Your Sights on Healthy Eating; and Stronger Together: Relationship Skills for CF Couples.



Continuous Learning

The Canadian Defence Academy plays a critical role in creating and sharing knowledge in the Defence community during a time when transformation is posing substantial challenges to military professional development and education. Curriculum requirements exceed the current capacity of the CF's residential establishments, and military educational expectations exceed the capacity of any single officer or non-commissioned officer. The Canadian Defence Academy's response to this challenge is articulated in the publication *Learning Architecture*. The publication discusses the impact of new learning technologies and methodologies — notably distributed learning, and important new trends, such as knowledge management.

Other learning opportunities exist within Defence such as:

- **Articles of Clerkship Program:** Through an articling program, students at law develop their skills in the areas of military law, including military justice and administrative law. Each year, up to three articling students carry out the 10-month articling phase of the bar admission course prescribed by their law societies. The Office of the Judge Advocate General (JAG) senior legal officers, act as articling principals and mentor the students. This arrangement has the added benefit of increasing the JAG's recruiting base, since some of these students may apply for positions as military lawyers with the Office of the JAG.
- **Organizational Learning/Lessons Learned:** DND/CF has a long history of managing and mobilizing knowledge, primarily in the context of the conduct of operations. The current focus for DND/CF is to harness the success of these organizations and create a corporate wide DND/CF vision and strategy for knowledge transfer/lessons learned that would promote continuous learning and improve performance. Defence will lead the advancement of knowledge transfer/lessons learned practices by creating knowledge and awareness of the practice, providing governance and guidance within Defence, and offer a link to products and services to assist organizations on their journey.
- **Individual Learning:** In an effort to maintain a professional, qualified force, the CF continue to strive for a "degreed officer corps." The aim is to recruit officers with degrees, or assist members who meet policy requirements to attain a degree. Efforts are also underway to enhance the educational qualifications of non-commissioned members.



Reserve Force

The Reserve Force is composed of CF members who are enrolled for service other than continuing, full-time military service. The Reserve Force is divided into four sub-components:

- the Primary Reserve;
- the Supplementary Reserve;
- the Cadet Instructor Cadre; and
- the Canadian Rangers.

Primary Reserve

The role of the Primary Reserve is to augment, sustain and support deployed forces and, in some cases, perform tasks that are not performed by Regular Force members. The CF are continuing to explore ways to enhance the role of Reserves in civil preparedness to respond to natural disasters and local emergencies.

The Primary Reserve structure includes the following:

- Naval Reserve.** The Naval Reserve provides highly trained, combat-capable sailors for the ships' companies of the navy's Kingston class maritime coastal defence vessels and for coastal operations. Coastal operations include roles distinct to the Naval Reserve, such as port security, and naval co-ordination and advice to shipping, as well as shared roles, such as mine countermeasures and intelligence. The total strength of the Naval Reserve stands at 4,050 of all ranks. Defence expects the Naval Reserve will reach its approved strength ceiling of 5,100 by 2015. The CF have invested in recruiting, training, long-term retention, leadership, management and public affairs initiatives for the Naval Reserve to ensure its long-term viability.
- Army Reserve.** Canada's Army Reserve (Militia) is organized in 137 units in 110 cities and towns across the country. The roles of the Army Reserve are to provide the framework to mobilize, augment and sustain the Regular Force and serve as a link between the military and civilian communities.

The Land Force Reserve Restructure (LFRR)'s mission is to develop an effective and credible Army Reserve that is complementary and supplementary to the Regular Force and relevant to the needs of the nation. LFRR is a two-phase process. While Phase 1 focused on stabilizing and testing new capabilities, Phase 2 will focus on change and growth. The CF plan is to increase the paid strength of the Army Reserve to 17,300 from its current strength of 16,000 by fiscal year 2009–2010. Within the context of the Army Strategy, both the Regular and the Reserve components will go through significant change in the upcoming year, to streamline and improve force generation. For the Army Reserve, this effort will significantly increase its force generation responsibilities, both in



terms of depth (by providing reinforcement) and of breadth (by providing unique capabilities not available in the Regular component, such as chemical, biological, radiological and nuclear response; civil-military co-operation; and psychological operations). The CF will conduct an Army Reserve Establishment Review to allocate growth to areas where there is the greatest requirement.

- c. **Air Reserve.** The Air Reserve has been an integral part of defence planning throughout the history of the air force. The air force has integrated the highly trained men and women of the Air Reserve into total force units with a single chain of command that supports all aspects of air force operations. Currently, the total strength of the Air Reserve stands at approximately 2,300 personnel in all ranks. The integrated air force structure means that air reservists are readily available for the day-to-day operation of the CF. Air Reserve members are now serving in many of the newly established command organizations, helping to ensure the effective integration of reservists into the new CF structure.
- d. **Communication Reserve.** The Communication Reserve is mandated to generate forces and sustain combat-capable communication and information systems elements and information operation support elements to augment deployed operations and strategic missions at home and abroad. The Communication Reserve recently created a reserve Communications Research Operator occupation. Occupational training will commence in 2006 at the CF School of Communications and Electronics at Canadian Forces Base (CFB) Kingston. Senior communications research personnel will be employed in key headquarters to provide continuing occupational oversight and guidance. The Communication Reserve will continue to focus on centralized training locations, currently CFB Kingston for occupational training and CFB Shilo for recruit and leadership training.
- e. **Health Services Reserve.** The Health Services Reserve is heavily involved in both sustainment and the change agenda within the CF Health Services Group. The Group has central command and control of all Health Services Reserve units comprising approximately 1,200 personnel. They have been organized into two functional groups; Primary Reserve units known as Field Ambulance units, and the CF Health Services Primary Reserve List (PRL). Field Ambulance units train personnel to support, augment and sustain CF Health Services Group elements on operations, and to provide health services support to their affiliated Canadian Brigade Group. The members of the Health Services Reserve, primarily clinicians, augment a variety of Health Services organizations on operations and in clinics in Canada. Priorities for the Health Services Reserve in fiscal year 2006–2007 include:
 - **Strategic Recruiting Plan** – This living document is focussed on the attraction and enrolment of civilian trained clinicians to increase the clinical capability within the Reserve Field Ambulances and to increase the numbers of health service providers on the Health Services PRL, from both a training and operational/tasking perspective; and



- **Individual Training for Health Services Military Occupational Structure Identification (MOSID)** – Regular Force basic military occupation training for Medical and Nursing Officers has been modularized to facilitate access for Reserve clinicians. A phased training approach has been initiated to harmonize Regular and Reserve Force Medical Technician qualifications thus raising the standard of clinical training and therefore the standard of care delivered by the Reserve Medical Technicians. This modularized training commenced during the 2006 summer training period.

- f. Reserve Force legal officers are held on the **JAG Primary Reserve List (PRL)**. They are employed on Class “A” and “B” service conducting duties as military prosecutors, defending officers and military legal advisors to JAG clients. The JAG manages their careers.

The Environmental Chiefs of Staff (Maritime, Land and Air) command their respective Reserve elements, and the Assistant Deputy Minister (Information Management) controls the Communication Reserve. Reserve Health Services personnel are under the control of the Director General of Health Services.

A major challenge facing Defence will be to recruit a total of 10,000 new reservists identified in Budget 2006. Senior representatives from the Primary Reserve are working with the Chief of the Defence Staff transformation team, ensuring that the Reserves are considered in every aspect of transformation.

Supplementary Reserve

The Supplementary Reserve is composed of personnel with previous military service who could be recalled for military service in an emergency. Members of the Supplementary Reserve may serve on a voluntary basis, but are not required to perform any duty or training except when placed on Active Service.

Cadet Instructor Cadre

The Cadet Instructor Cadre is made up of officers whose primary duty is the supervision, administration and training of cadets. They ensure the cadets’ safety and welfare while developing in them the characteristics of leadership, citizenship, physical fitness and an interest in the CF.

Canadian Rangers

The Canadian Rangers provide a military presence in sparsely settled, northern, coastal and isolated areas of Canada that cannot be covered by other elements of the CF. Their main task is to assist in the maintenance of Canadian sovereignty. The objectives for fiscal year 2006–2007 include:

- conducting up to 30 Ranger Sovereignty Patrols during the year in accordance with the Joint Task Force North (JTFN) surveillance plan;



- standing up and maintaining the necessary equipment and support personnel to form the infrastructure of a JTFN rapid reaction capability in accordance with the Campaign Operation Plan. This structure must be capable of deploying within 24 hours of notification, and be sustainable for up to four days;
- conduct at least one enhanced sovereignty patrol to a vulnerable area of the Arctic Archipelago in accordance with the JTFN surveillance plan;
- conducting North Warning System security patrols; and
- given the appropriate personnel resources, raising the total number of Ranger patrols in the JTFN area of responsibility to 60 and Junior Canadian Ranger patrols to 34.

Current Reserve Initiatives

- **Canadian Forces Liaison Council**

Currently, reservists make up 13% of DND's deployed strength abroad, including one in seven soldiers in Afghanistan. The CF Transformation and anticipated commitments in international operations suggest that this rate of reservists' participation in operations will be maintained, if not increased, under the new Integrated Managed Readiness System.

Because Canada has no legislated job protection for voluntary service, the 45% of reservists with civilian employment and the 40% of reservists who are students depend on the voluntary support of employers and educational institutions to carry out their military duties.

The Canadian Forces Liaison Council (CFLC) seeks to increase the support of organization leaders in Canada to enhance the availability of reservists for training and operations. Through sponsored military visits, local unit employer support events, professional and community organizations involvement and employer awards and recognition activities, the CFLC reaches a large number of employers and educational institutions on behalf of reservists in order to obtain a leave of absence from their employment or studies.

- **CF Pension Modernization Project**

The CF Pension Modernization Project was established to modernize all pension arrangements for members of the CF, both Regular and Reserve. Legislative approval was obtained in late 2004 and the regulatory framework is currently being developed. The CF Pension Modernization Project will be implemented in March 2007.

Planned Reserve Strength



The following table identifies the planned increase in the Reserve Force for the next three years.

Reserve Planning Strength					
	Actual 2005-2006	Planned 2006-2007	Planned 2007-2008	Planned 2008-2009	Planned 2009-2010
Primary Reserve ^{1, 2 & 3}	23,902	25,140	26,378	27,585	28,792 ⁴
Suppl Res ⁵	40,000	32,376	N/A	N/A	N/A
CIC ⁶	7,050	7,482	7,500	7,500	7,500
CA Rangers ^{6 & 7}	4,179	4,205	4,365	4,525	4,685 ⁸
Total	76,862	69,668	38,999	39,187	39,327

Source: DFPPC, CMP, and C Res Cdts

Notes:

1. Increase in planned strength reflects the Primary Reserve Force Expansion of 3,000 reservists announced in Budget 2005. Phase II of LFRR planned to increase the Army Reserve by 750 per year during 2003–2005 from 14,500 to 16,000 with the remaining 1,500 increase programmed during 2005–2010 from 16,000 to 17,250 in the Army Reserve and the balance (250) allocated to the Communication Reserve and other Primary Reserve.
2. Primary Reserve reporting, planning and allocations will be based on an Average Paid Strength derived from monthly reports provided by DSFC/DFECS.
3. The Health Services Reserves are increasing as part of the Rx2000 project
4. Average Paid Strength of Primary Reserve forecast to stabilize at 30,000 beginning fiscal year 2010–2011.
5. The strength of the Supplementary Reserve cannot be planned with a reasonable degree of accuracy, since it is a holding list that varies significantly with attrition and transfers within the CF. Source: CMP
6. Sources: CIC and Rangers actual for fiscal year 2005-2006 from Chief Reserves and Cadets; forecast and planned from DFPPC.
7. Canadian Rangers will be under the Command of Chief of Land Staff starting in October 2006.
8. Canadian Ranger expansion to 5,000 by fiscal year 2011–2012.

ii. Human Resources: Civilian

DND must attract the right number and mix of motivated, qualified civilian personnel, in a timely fashion, to meet Defence's growing needs. The Assistant Deputy Minister (Human Resources – Civilian) has identified the following challenges and priorities for fiscal year 2006–2007:

- implementation of the *Public Service Employment Act (PSEA)*;
- civilian impacts of CF transformation and potential restructuring;
- recruitment and staffing;
- retention strategies; and
- technology.



Implementation of PSEA

The Department will focus on the following activities to implement the PSEA:

- develop and implement a DND Employment Equity Staffing Program under the new PSEA;
- effective April 1, 2006, the clause added to the PSEA by the *Canadian Forces Members and Veterans Re-establishment and Compensation Act*, that allows Departments to include members of the Regular Force and members of the Reserve Force who, at the time of application, are serving on a period of Class B or C service in excess of 180 days, in advertised internal appointment processes as long as they meet the other area of selection criteria;
- develop a framework for hiring and employing civilian staff on international operations; and
- integrate HR planning and business planning. The new PSEA stresses the importance of HR planning as a foundation to support recruitment and staffing. In fiscal year 2006–2007, DND will require that senior management provide HR plans to support their business plans; develop recruitment and staffing strategies to address HR planning issues and identify the HR impact during the planning phase of long-term capital projects.

Civilian Impacts of CF transformation and potential restructuring

CF transformation, restructuring and reorganization will result in changes to the civilian workforce. At the present time, the breadth and nature of these changes are still being investigated. However, it is certain that force expansion, large scale maintenance and repair projects, reorganizations and the conversion of some traditional military positions to civilian positions will place a heavy burden on an already stressed public service recruitment process. The restructuring of the CF is expected to bring the conversion of military positions to the forefront, as well as identify specialized groups required to fill these positions. At the same time, integrating the civilian workforce more closely into CF structures, to ensure optimal utilization of skills and experience, will become a more pressing need in order to release military resources for operational deployment. The activities planned for fiscal year 2006–2007 include:

- a review of the Human Resources - Civilian support function and alignment of its structure to support the execution of CF operations while providing broader civilian HR service delivery functions; and
- supporting the creation and stand up of the new organizations/commands.



Recruitment and Staffing

The demographic implications of an ageing population and a more diverse labour pool, the introduction of the People Component Management Accountability Framework, CF transformation, departmental surge activities and changes to the PSEA will require additional effort to recruit and retain qualified staff within the organization.

DND continues to experience staff shortages and recruitment challenges for General Labour and Trades (GL), Purchasing and Supply (PG), Ship Repair (SR), Computer Systems Administration (CS), Engineering and Land Survey (EN) and Ships' Officers (SO) classifications. Key 2006-2007 activities will be to provide ongoing support for the increased surge HR activity related to civilian workforce turnover and growth and ensure continued support to sustain a greater civilian population resulting from surge staffing.

Recruitment

DND will develop a strategy to identify specific tactics for addressing recruitment shortages and align with the requirements identified in the 2005–2006 Functional Assessment to recruit over 3,000 civilian employees across the Department.

Apprenticeship Programs

DND is reviewing current apprenticeship programs to assess challenges, client requirements and success rates. The aim for fiscal year 2006–2007 is to provide a national level apprenticeship framework and renewed policy, which will include programs tailored to the unique needs of DND and enhance Defence's ability to attract employees into critical occupational groups.

Key activities for fiscal year 2006–2007 will be to establish a framework for all apprenticeship programs, with the priority on the GL occupation, which will include:

- a revised national policy and program that will address current staffing, classification, compensation and learning and development issues and inconsistencies; and
- enhanced partnerships with all levels of government as well as with educational institutions.

The bulk of civilian growth is linked to apprenticeships in the ship repair, general labour, heating plant and firefighter occupational groups. DND will largely use apprenticeship to meet recruitment needs in these occupations, which are expected to rise until 2012 due to an increase in the retirement rate.



Classification Renewal

Work is progressing on establishing a business case and proposed policy for moving to a generic work description environment over the next five years. Beginning in 2006–2007, DND will develop and implement generic work descriptions in the new work description format. In tandem, an overarching e-classification Statement of Requirement is being developed to identify and facilitate the continued improvement of tools and processes such as electronic position files and a new means of managing organization and establishment requirements.

Retention Strategies

Leadership Development Program (LDP)

The LDP is a two-year accelerated leadership pilot program, launched in September 2005, giving candidates opportunities to broaden their work experience through departmental assignments and training. The objective is to prepare EX feeder group (EX minus 1) employees to be ready for EX-01 competitions.

Based on the changes to the Public Service Leadership Development Programs that came into effect April 2006, DND will:

- o review its current program to rebalance the roles of both Career Assignment Program and the Leadership Development Program in succession planning within DND; and
- o continue to fully support participants already enrolled in the Career Assignment Program until they graduate, with a goal of retaining at least 50% of these participants within DND.

Promote Employee Well-Being

The Employee Well-Being Framework encompasses a collection of programs dealing with the health of civilian employees, including the Employee Assistance Program (EAP), awards and recognition, and the Civilian Performance Planning and Review (CPPR) process.

Key activities for fiscal year 2006–2007 include:

- o organizing and hosting a national award and recognition ceremony;
- o hosting a national (biennial) EAP symposium;
- o enhancing EAP communication; and



- o developing a departmental retention strategy.

Learning

The National Defence Civilian Education Support Program (formerly Departmental Scholarship Program) promotes continuous education, as well as career development and mobility. Defence awards a minimum of eight scholarships annually, for one academic year, to indeterminate employees to help them obtain a degree, diploma, certificate or accreditation through full-time studies at a recognized Canadian educational institution.

Throughout this planning year, DND will:

- o conduct an evaluation study to assess the impact of the program on individual recipients, on their work units, and on the organization in general;
- o maximize learning opportunities offered by the Canada School of Public Service and, through e-learning, provide financial flexibility for learning activities aligned with corporate DND priorities; and
- o leverage the new Learning, Training and Development Policy to address learning issues highlighted in Senior Management HR plans.

Technology

The quality of HR plans and supporting statistical information depends on the accuracy of both personnel and position data in the Human Resources Management System (HRMS). To achieve this, DND will focus on system maintenance, including data clean-up and corrections to the organization and establishment information, train HRMS users to ensure solid understanding of the HRMS as a system and related business processes and monitor the system on an ongoing basis to detect data errors and initiate corrections.

Upgrading HRMS software to version 8.9 will provide a self-service environment that will require the introduction of new reference material and re-engineered business processes. The implementation of HRMS version 8.9 will enable clients to complete transactions more frequently on a self-serve basis with strategic advice provided by HR officers.

In fiscal year 2006–2007, DND will:

- o ensure significant progress on the transition of HRMS to version 8.9 as a key driver in improving civilian HR service delivery; and
- o extend the leave self-service pilot project.



Joint Military/Civilian initiative

Learning and Career Development

The major components of the Defence Learning Network (DLN) currently include 15 Learning and Career Centres (LCCs) strategically located at selected CF bases and wings; an off-the-shelf corporate Learning Management Platform (LMP); and a National Centre of Excellence, which includes a Test Laboratory that could function as an In-Service Support Facility.

Once the DLN is fully implemented, it will address numerous deficiencies in the departmental training and education system and streamline the process of training within the Department. It will support the military Quality of Life initiative and foster an environment of continuous learning for the Defence Team.

b. Modernize and Transform the CF through capital acquisitions

Supporting Systems

In selecting equipment for the CF, the primary consideration is the operational requirement. The need for interoperability with its major allies—particularly the US and the North Atlantic Treaty Organization (NATO) alliance—will continue to define this requirement and will remain an important issue for Defence.

The following projects were identified as having priority and will contribute to the Generate and Sustain Relevant, Responsive and Effective Combat Capable Integrated Forces program activity. As CF Transformation efforts are further refined, this list of capital projects could be subject to change. These changes will be articulated in the 2006-2007 Defence Departmental Performance Report.

Medium Support Vehicle System (MSVS)

The MSVS project will modernize the aging Medium Logistics Vehicle Wheeled (MLVW) fleet. It will provide the platform for embedded unit logistics; provide mobile support facilities, such as field kitchens, workshops and medical facilities; and effect re-supply operations to deliver reinforcements and supplies. In the 2008–2012 timeframe, the MSVS project will deliver the following: up to 1,500 standard military pattern vehicles, plus any subsequently approved options, integrated logistics support and required infrastructure modifications for the operationally tasked field force units; up to 800 militarized commercial off-the-shelf vehicles, plus any subsequently approved options, for the Reserve Force and training support establishments; up to 1,000 Special Equipment Vehicle Kits, plus any subsequently approved options, integrated logistics support and required infrastructure modifications; and up to 300 load handling system companion trailers, plus any subsequently



approved options and integrated logistics support, to be used with the standard military pattern load handling system variant acquired for operational forces.

The MSVS project's identification phase was approved on October 24, 2000. The project has reached the end of the options analysis phase. Defence evaluated available options and selected a preferred approach. The project will now enter the definition phase, when Defence will use a competitive approach to select the most cost-effective solutions, in consultation with industry. Consistent with Treasury Board policy, Defence prefers an off-the-shelf solution that avoids development and minimizes testing. Preliminary Project Approval from TBS was received on June 22, 2006. Approval for Initial operational capability is anticipated by June 2009 with full operational capability by December 2011.

Airlift Capability Project – Tactical (ACP-T)

The Airlift Capability Project – Tactical will provide the requisite tactical airlift capability to support the Canadian Forces' mandate for domestic and international operations. This entails the ability to operate in extremes of weather and temperature from unpaved, austere, blacked-out airfields with no support facilities, over medium threat hostile terrain anywhere around the globe.

In 10 hours of flying time it will be capable of transporting wheeled and/or NATO palletized payloads of 8,165 kg over an unrefuelled range of 4,630 kilometres to and from short, unpaved runways (914 metres by 27 metres), at a minimal en route cruise speed that meets or exceeds that of current Canadian Forces tactical transport aircraft.

The project received Preliminary Project Approval from TBS on June 22, 2006. A minimum of 17 aircraft, all meeting Canadian aviation certification standards are to be acquired by the contract award date, with delivery of the first aircraft to occur no later than 36 months after the contract award and final aircraft delivery no later than 60 months after contract award.

Airlift Capability Project – Strategic (ACP-S)

The Airlift Capability Project – Strategic will provide the requisite strategic airlift capability to support the Canadian Forces' mandate for domestic and international operations. This off-the-shelf solution will maximize the Canadian Forces (CF) Strategic Air Transport capability and interoperability with CF allies. It will be capable of flying tactical profiles into hostile environments and provide a capability to directly deliver cargo and personnel into a theatre of operation.

In 14 hours of flying time it will be capable of transporting helicopter, wheeled and/or NATO palletized payloads of 39,000 kg over an unrefuelled range of 6,482 kilometres to and from short, unpaved runways (1,219 metres by 27 metres).

The project received Effective Project Approval from TB on June 22, 2006. A minimum of 4 aircraft, all meeting Canadian aviation certification standards are to be acquired by the



contract award date, with delivery of the first aircraft to occur no later than 18 months after the contract award and final aircraft delivery no later than 48 months after contract award.

Medium-to-Heavy-Lift Helicopter (MHLH)

The Medium-to-Heavy-Lift Helicopter project will provide safe and effective movement of CF troops and equipment in hostile environments, both domestically and internationally, in support of land and special operations forces.

It will be capable of lifting up to 30 soldiers with full combat equipment or a light weight field howitzer and associated equipment over a minimum radius of operation of 100 km, at a temperature of 35 degrees Celsius (95 degrees Fahrenheit), at an altitude of 1,220 meters (4,000 feet) Above Sea Level.

The project received TBS Preliminary Project Approval on June 22, 2006. The 16 aircraft to be acquired will be certified to aviation standards recognized by Canada by contract award date. The first aircraft will be delivered within 36 months of contract signature and the last aircraft delivered within 60 months of contract signature.

Fixed Wing Search and Rescue (FWSAR) Project

The aim of this project is to replace the current FWSAR fleet with new fixed wing aircraft. Ten CC130 Hercules and six CC115 Buffalo aircraft have been identified for retirement as part of this project. An option to acquire an additional four aircraft for utility transport in the North, replacing four ageing Twin Otters, is also being considered. This project is currently in the Pre-Definition phase. In fiscal year 2006–2007 the Department will prepare the necessary documentation to pursue the next phase.

Joint Support Ship (JSS)

The primary objective of the Joint Support Ship (JSS) project is to ensure that the Canadian navy maintains its current naval task group logistics support, while ensuring that the CF have an adequate, assured strategic sealift capability to allow them to deploy and sustain operations in support of government policy. This objective will be met through the procurement of replacements for the current Protecteur-class auxiliary oiler replenishment vessels that include a sealift capability as well as the ability to support forces ashore.

The project is now in the Definition phase. A Request for Proposal is being finalized and will be followed by the awarding of two definition contracts in 2006. It is anticipated that the project will seek Effective Project Approval in Fall 2008.

Land Force Intelligence, Surveillance, Target Acquisition and Reconnaissance (LF ISTAR) Omnibus Project

The LF ISTAR project will move into the implementation phase by end 2006. It will update Command, Control, Communication, Computer, Intelligence, Surveillance and Reconnaissance (C4ISR) capabilities by allowing the rapid acquisition and sharing of information. This project will also help the Land Force achieve its Leading with Sensors



employment concept. The first aspect to be delivered will be data link communications capability, which will provide the digital backbone for moving sensor data and situational awareness information around the Land Area of Operations. This system will link the current and future Land Force Sensors, integrating information from joint and coalition assets into a network environment where information and knowledge are shared at all levels of command. This approach will increase the quality and quantity of information and intelligence so that the commanders can make the timely decisions essential for success.

Additional information on these and other major projects can be found at:
www.vcds.forces.ca/dgsp/pubs/rep-pub/ddm/rpp/rpp06-07/sec3b1_e.asp#

c. Optimize Resource Utilization

Several new initiatives have been undertaken to optimize resource utilization. These will be pursued during the reporting year.

- **Strategic Costing Model.** Defence has developed a Strategic Costing model that captures all aspects of the existing force structure as well as the planned capability development. This database will model the cost and affordability of the development of future capabilities. It will enable defence planners to clearly understand the complete financial resource commitments as well as articulate a strategy to achieve them. In addition, force structure costing will enable informed decision making for transformation. The long-term objective is to ensure that the costing model process is institutionalized and seamlessly integrated into capability-based planning.
- **Strategic Asset Management Model (SAMM).** The SAMM has been developed by Defence to calculate the current value of its existing asset base and to estimate replacement and sustainability gaps. It allows Defence to model asset replacement and sustainment costs (including the personnel, operating and maintenance factors) and thereby forecast the approximate funding required. It also allows Defence to show the high cost of sustaining equipment that is well beyond its life expectancy. When fully developed, the SAMM will be one of the financial decision support tools used to determine the optimal net replacement strategy.
- **Strengthen financial management within Defence by improving existing financial reports.** To deliver on this commitment Defence will continue to improve the Executive Financial Statement that is produced on a quarterly basis to provide Defence executives with an overview of the Departmental budget. The report currently includes three sections, the current Financial Position and Situation, Accrual Situation, and Financial Performance Measures. The objective of this report is to provide executives with complete and accurate financial management information in accordance with accepted accounting principles to improve decision-making.
- **Performance Measures.** Within the framework of the Balanced Scorecard, Defence is developing financial indicators to measure the performance of the allocation and utilization of financial resources. Ratios will measure the amount of funds being applied



to the maintenance of capital equipment and infrastructure to improve decision-making regarding asset acquisition and disposal. Measures are also being developed to determine the effectiveness of the life cycle management of capital equipment.

- **International Financial Linkages.** Defence has pursued contacts with Senior Financial Officer (SFO) counterparts in the UK, the US, Australia and New Zealand. These discussions have concentrated on lessons learned in the accrual accounting environment, comptrollership, shared services and risk management. A similar round of sessions with selected European NATO allies is in the planning stages with the aim of further expanding the SFO experience base on the same range of issues noted above. The possibility of Canada hosting a Defence SFO Colloquium in 2006 is also under consideration.

Defence supports a balanced, effective and efficient use of resources based on its strategic capability requirements and consistent with the Government of Canada standards. In fiscal year 2006–2007, Defence will continue to optimize its resource utilization by:

- monitoring financial spending results against planned spending;
- ensuring that resources are allocated and re-allocated based on strategic priorities, transformation initiatives and capability requirements; and
- ensuring that capital programs (equipment, infrastructure, and IM/IT) are linked to strategic priorities, transformation initiatives, and capability requirements identified in a long-term capital plan, and ensure they include divestiture strategies, life-cycle management, and risk management. The effectiveness of capital program delivery will be tracked against a long-term capital plan.

Monitor Resource Utilization

The effectiveness by which Defence utilizes its resources will be assessed through the Performance Management Framework (PMF). The following four indicators will track the performance in this area:

Balanced Investment

The Vice Chief of the Defence Staff (VCDS) and the Assistant Deputy Minister (Policy) are co-leading an initiative to prepare a comprehensive Defence Capabilities Plan that will lay out in detail the investments Defence intends to make over the coming years in support of transformation.



Capital Assets

Defence continues its progress towards ensuring all its capital assets (i.e. realty assets, military equipment, etc.) and inventory (i.e. repairable and consumable goods) are identified and accounted for in accordance with full accrual accounting principles. Defence has embarked on a major initiative aimed at reviewing and strengthening the departmental financial control framework to enable the department to meet the federal government objective of having its financial statements audited starting with the 2008-09 financial statements.

In fiscal year 2006–2007, Defence will continue to ensure that information on contractor-held inventory catalogued in the Canadian Forces Supply System (CFSS) is accurate and complete. The Materiel Acquisition and Support Optimization Project office is taking stock on site with six contractors and will continue reviewing remaining contractor sites over a timeframe still to be determined.

Materiel Management

In fiscal year 2005–2006, Defence established accrual accounting for repairable spares held in supply customer accounts. As a result, Defence will re-evaluate its policy for accounting for such spares to include the correct value of repairable spares in future statements. At the same time, Defence will need to address the impact of any change to the way certain assets, such as stand-alone capital assets and surplus equipment, are capitalized in the Materiel Acquisition and Supply Information System.

Realty Assets: Infrastructure

The DND/CF realty assets portfolio includes national owned and international leased assets, making DND one of the largest custodians of Canadian government realty assets. By area, National Defence has approximately 33 percent of the buildings inventory of the federal government and seven percent of the federal land inventory. National Defence is the largest building owner by quantity (i.e. number of buildings) with 20 bases/wings (two naval, eight army, nine air force and one training) as well as military installations in every province and territory consisting of locations in 290 cities/municipalities. The total realty replacement costs for DND land, buildings and works, including housing is estimated at \$21.3 billion. The responsibility associated with managing such vast amounts of realty assets, including several designated heritage sites, places a significant demand on Defence's sustainment capability.

In fiscal 2006–2007, DND will:

- develop the Realty Asset Strategy, as the centerpiece of the Realty Asset Management Framework, as a long-term strategy to ensure that the Department has the right realty assets to support current and future defence capabilities. The Strategy will provide the strategic direction and objectives to guide and focus



realty asset activities towards a department-wide common vision and manage assets as a national portfolio;

- continue to develop the CFB Gagetown Range and Training Area restoration plan. Once completed, it will be used as a model in developing an army Range and Training Area Management system that will draw from lessons learned and recommendations from the Sustainable Management Plan;
- put in place an Unexploded Ordnance (UXO) Legacy Site Management Program to identify legacy UXO affected sites and determine risk mitigation measures in order to reduce the risk in a systematic and timely manner;
- develop and implement a multi-year integrated Infrastructure and Environment information strategy and plan. This plan will integrate departmental Enterprise Resource Planning (ERP), corporate data warehouse and geomatics/spatial systems, and all Infrastructure and Environment business related to finance, HR and materiel processes. As well, it will provide linkage with external partners such as Defence Construction Canada and other government departments; and
- work closely with the Canadian Forces Housing Agency to ensure that the most critical housing requirements are met in an expeditious manner.

Procurement and Contract Management and Project Management

Defence is establishing new, and reinforcing existing departmental standards for financial procedures and management, including procurement and contracting processes. The Defence Oversight Committee on Contracting (DOCC) will oversee DND's contractual framework and associated financial controls and practices and will ensure that a sound risk management framework is in place and functioning well.

For example, to improve its procurement process and practices, Defence is working very closely with Public Works and Government Services Canada (PWGSC) on its Procurement Reform/Way Forward initiative and is also adopting best practices as standard practices.

In fiscal year 2006–2007, DND will implement or continue the following procurement initiatives by:

- pursuing an Optimized Weapons System Management (OWSM) approach to procurement planning, whereby requirements are typically bundled into longer-term support contracts. This approach reduces the volume of contracting activity, which in turn reduces administrative costs and provides an incentive for industry to invest and collaborate. DND is implementing six OWSM initiatives, including CF-18, CP-140, CC-130 and wheeled light armoured vehicles initiatives;



- implementing several PWGSC-led procurement reforms, including the following:
 - **Standing offers:** Defence mandated the use of standing offers for 10 commodities and significantly reduced procurement lead-time from weeks to a few days. DND will apply this approach to more commodities, in close co-operation with PWGSC.
 - **The Commodity Councils and Commodity Teams for 12 commodities:** Defence is playing a leading role in these initiatives, through which participating departments will procure commodities via government-wide standing offers and supply arrangements. The resulting economies of scale should reduce prices significantly, allowing Defence to save money.
 - **The Government of Canada Marketplace:** Defence is working with PWGSC to develop this e-procurement solution, with a view to integrating it with DND procurement records systems (MASIS and CFSS);
- participating in Treasury Board policy reviews. DND will support and comply with Treasury Board to review and implement new policies in simple and complex procurement, materiel and project management;
- participating on an advisory committee to help develop the Professional Certification and Development Program for procurement and materiel management personnel; and
- developing a training strategy and framework for Materiel Acquisition and Support (MA&S) training in DND. The strategy will identify MA&S training requirements; compare them to the actual training being delivered; consider new training requirements, such as those related to the new Treasury Board policy and to the Professional Certification and Development Program; and develop an MA&S training framework containing an integrated MA&S training program for DND.

DND will implement the MA&S training strategy and framework in phases. The first phase will focus on procurement training needs. To that end, a new DND training program is being developed for the purchasing and supply group. This program includes the following elements:

- Professional Certification and Development Program training (including training related to the new Treasury Board policy on procurement and green procurement);
- DND-specific procurement training;
- training on CFSS and MASIS; and



- o HR training for procurement personnel.

Defence will implement the DND Procurement Group training program by year-end and will use it as the basis for future phases of the MA&S training framework, which will include training programs for project managers, materiel managers, engineers, lifecycle materiel managers and others.

Information and IT Management Processes

Significant strides have been made in the DND/CF information management/information technology (IM/IT) domain since Defence's last report to Parliament. The Defence Management Committee has endorsed an IM Strategy, an IM Strategic Plan and a number of key management measures to improve the efficiency and effectiveness of the DND/CF information environment. These measures extend the institutional commitment to taking an enterprise approach, under the strong and responsive leadership of the Information Management Group.

The following key features describe the recent and ongoing activities in the IM/IT domain.

- **Transformation of the Enterprise Resource Planner (ERP) Environment.** As is the case in many large public and private institutions, the DND/CF ERP environment includes a number of incompatible and unsynchronized applications addressing human resources, finance, materiel, logistics and the like. Because these applications are incompatible, the overall environment has high operating and lifecycle costs and cannot deliver high-level integrated decision support capability without expensive integrating technology. DND and the CF are investigating the option of transforming the ERP environment to a single, integrated ERP encompassing all key functions and high-level decision support capability. Preliminary findings indicate that this option is viable and will offer long-term savings while facilitating transformational process improvement.
- **Transformation of the Military Command and Control (C2) Environment.** The situation in the automated military C2 environment is similar to that in the ERP environment. DND and the CF are in the early stages of a Single C2 Study that seeks to rationalize and improve the efficiency and effectiveness of its C2 environment.
- **Transformation of IM/IT Service Delivery.** In anticipation of government-wide rationalization of basic IM/IT service delivery, DND and the CF have begun to investigate alternative means of delivering IM/IT services. The project is in its early stages; however, it has already given Defence unprecedented visibility into the activities and costs of this function. Defence expects this project will lay the groundwork for efforts to make service delivery much more effective and efficient, in harmony with broader government objectives.



- **Rationalized Program Control.** In addition to the key initiatives described above, DND and the CF have put in place the following management measures to improve program delivery.
 - **Improved comptrollership financial management training.** The IM Group has increased the robustness of its integral comptrollership function and put in place an improved program of financial management training for all managers. The result has been increased visibility into IM/IT-related expenditures and improved resource management.
 - **Improved Responsiveness and Client Service.** The IM Group has created a single Client Relationship Management organization to improve client service and responsiveness. This organization will give all DND/CF stakeholders a single, accessible point of contact for IM/IT-related concerns and advice.
 - **Rationalization of Software Development.** IM/IT governance has been improved to regulate the local development of software applications. The challenge is to impose a level of regulation and control that strikes a balance between the organization's desire for an efficient and effective program and the local manager's desire to employ and utilize the full potential of IM/IT, free from restraint. Toward this end, the Defence Management Committee has directed that software applications not be developed locally when an existing or planned national project will deliver the functionality required.



Conduct Operations

Strategic Outcome: Success in assigned missions in contributing to domestic and international peace, security and stability.

Program Activity: Conduct Operations — Total Spending Net of Revenues				
Resources	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Departmental Spending (\$ Thousands)	\$1,784,654	\$1,974,706	\$1,833,616	\$1,868,973
Capital Spending (\$ Thousands) (included in departmental spending)	\$143,159	\$181,778	\$194,770	\$197,725
Human Resources - Military FTEs ¹	5,600	5,600	5,600	5,600
Human Resources - Civilian FTEs ¹	2,243	2,355	2,473	2,596

1. These FTE numbers are derived from a representative financial formula as there is not a consistent 1:1 relationship between FTEs and programs.

Source: Assistant Deputy Minister (Finance and Corporate Services), Chief Military Personnel and Assistant Deputy Minister (Human Resources - Civilian)

The capability to conduct operations effectively at home and abroad is provided by efficient, professional maritime, land, air and special operations forces, supported by many partners and agencies. It comprises a variety of activities, including international operations in conjunction with NATO and the UN, continental NORAD operations, and domestic operations, such as surveillance and control of Canadian territory.

Constant Situational Awareness

The CF will form a unified national command structure and system that includes a common information and intelligence network, along with common standards and procedures, and will expand and enhance information and intelligence fusion capability to better assess large amounts of intelligence in support of military and government decision-making. Without such a structure and system, the CF's ability to successfully command operations from the strategic level to the tactical level will be jeopardized.

Joint Information and Intelligence Fusion Capability (JIIFC)

To provide Joint Force Command (JFC), Defence established the JIIFC project. JFC will give commanders and decision-makers at all levels timely, relevant and fused operational information that supports their shared situational awareness. The overall fusion capability will comprise a federated network of fusion nodes, each willingly contributing to the collaborative information environment used at all levels. The envisaged JFC will aggregate, harmonize and build on existing capabilities across the CF (such as existing fusion nodes and operations centres); recognize the need for a senior node to ensure interoperability and standardization; and network the people and processes that add value to a technically networked environment. The final deliverable of the JIIFC project, in 2009 will be the



National Fusion Centre (NFC), located in the National Capital Region. The NFC will centralize and co-locate critical fusion partners (military and non-military) in a single infrastructure. In conjunction with other contributors, the NFC will serve all levels of command by providing a knowledge brokerage service that will facilitate enhanced, constant situational awareness.

Communications Security Establishment (CSE)

The Communications Security Establishment (CSE) plays a key role in adapting to the evolving security environment, promoting and enhancing strategic security relationships, promoting the defence intelligence capability, and supporting the command and control capability program by doing the following:

- analysing information within the global information infrastructure and using it to provide foreign intelligence, in accordance with government intelligence priorities;
- providing advice, guidance and services to predict and help detect cyber incidents, minimize the impact of incidents, and protect electronic information and information infrastructures critical to the government;
- providing technical and operational assistance to federal law enforcement and security agencies; and
- implementing an operational model more closely integrating CSE/CFIOG⁶ signals intelligence (SIGINT) operations to better support CF activities in the field and for national purposes.

The two following programs support these initiatives.

CSE's **SIGINT** program provides unique and timely foreign intelligence consistent with Canadian government requirements and priorities. This information is used for indications and warnings, policy formulation, decision-making, and day-to-day assessment of foreign capabilities and intentions. In fiscal year 2006–2007, the SIGINT program's priorities will include: increasing the quality of SIGINT products and services; continue integrating SIGINT services with CFIOG for delivery in the field; and improving related technical capabilities.

CSE's **Information Technology (IT) Security Program** provides Government of Canada clients with technical leadership and expertise, advice, guidance and services related to protecting information, and information systems and infrastructures. As part of this task, CSE provides high-level IT security consulting; identifies cyber vulnerabilities and threats; and helps develop government IT security policy and standards. The IT Security Program's priorities for fiscal year 2006–2007 are to increase cyber protection efforts to help mitigate

⁶ Communication Security Establishment/Canadian Forces Information Operations Group (CSE/CFIOG)



risks to critical Government of Canada systems and to champion a crypto-modernization program for the government.

Corporately, CSE is developing a medium and long term accommodations strategy and will be seeking funding to support organizational sustainability. CSE's priority in 2006–2007 is to ensure its resources are appropriately aligned with the program activities necessary to achieve the strategic objectives of the organization while continuing to deliver in accordance with Management Accountability Framework focus areas.

Domestic and Continental Operations

Canada Command (Canada COM) will conduct domestic and continental operations to detect, deter, prevent, pre-empt and defeat threats and aggression aimed at Canada within Canada COM's area of operational responsibility.

Such operations will span the spectrum of military activity, from simple provision of manpower and equipment, through complex consequence management situations, to the commitment of combat-capable forces to support the civil power in the defence of Canada. Domestic operations can involve forces from the army, navy and air force, working singly or together, which may be routine or contingency in nature.

In particular, under Canada COM, the navy will maintain a "ready duty" warship on each coast, and a Joint Interagency Operations Center operating 24 hours per day, seven days per week. Similarly, the army will provide an appropriate way to conduct land-based operations. In addition, the Canadian Rangers will increase their northern patrols. The air force will continue to monitor and control Canada's airspace and maritime approaches by participating in combined Canada-US operations conducted under NORAD.

The CF will continue to maintain primary fixed wing and rotary wing search and rescue (SAR) resources at appropriate levels of readiness. The Fixed Wing SAR project will procure new aircraft to replace the CC-115 Buffalo fleet, and that portion of the CC-130 Hercules fleet presently utilized for SAR.

The CF will also continue to assist other government departments and agencies (such as the RCMP and Public Safety and Emergency Preparedness Canada), and other levels of government, in support of efforts such as ground searches, drug interdiction operations, disaster relief, law enforcement operations, fisheries and environmental protection, and official events.

Regarding continental defence, Maritime Command (MARCOM) will continue to establish the Joint Interagency Operations Centre and co-ordinate the maritime response to counter-terrorism threats. Specifically MARCOM, in support of Canada COM, will do the following:

- increase on-water patrols while sustaining, improving and evolving contingency response capabilities;



- continue to develop, foster and broaden operational links with other government departments, adjoining CF commands and allies, with the aim of improving surveillance coverage and all-source information fusion within the MARCOM Area of Operational Responsibility (AOR) and area of interest; and
- conduct overt and covert surveillance and sustain presence across the majority of the Maritime AOR, including the Arctic Region during Northern Deployment Exercise (NORPLOY) in August 2006 and the Great Lakes Region during the Kingston class Great Lakes MARS IV sea phase in July 2006.

Canadian Forces Joint Task Force North (JTFN)

A number of arctic security issues have emerged in recent years. The on-going interest in the oil and gas reserves of the Beaufort Sea and Mackenzie Delta, the increase in diamond and other mineral exploration, and the view of the Canadian Arctic as a pristine wilderness have all contributed to an increased awareness of the commercial possibilities of the North. With this increased interest and awareness have come increased traffic in the North – much of it from foreign nations. To assist in dealing with some of these challenges and assert Canadian sovereignty in the North, Defence must maintain surveillance, presence and response capabilities in the region.

- JTFN will pursue a comprehensive surveillance program throughout the AOR, especially around the Arctic Archipelago and other vulnerable areas. Routine sovereignty operations will include 200 plus patrols per year consisting of various types of Ranger patrols, army sovereignty operations, Advance Winter Warfare Course (AWWC) Arctic deployment and CF Aurora aircraft patrols.
- JTFN plans to conduct three major joint-integrated operations per year focused on enhancing inter-agency interoperability and exercising support relationships from southern JTFs and national assets. The three operations are:
 - o **High Arctic.** An annual large-scale extended sovereignty patrol, conducted by the Canadian Rangers, which takes place on an uninhabited part of the AOR, normally during the winter, with CF support and some other government departments and non-government organization representation.
 - o **Eastern Arctic.** An annual operation during the summer shipping and commercial fishing season involving one or more ships from Joint Task Force Atlantic (JTFA), supporting air assets, supporting communications assets, land forces from JTFN (Rangers) and as suited to the operation available army sub-units from the South. The operation integrates the Canadian Coast Guard (CCG), RCMP, Environment Canada, Fisheries and Oceans, Citizenship and Immigration Canada (CIC), Canada Border Services Agency (CBSA) and Nunavut Emergency Measures Organization (EMO), etc., where appropriate.
 - o **Western Arctic.** An annual operation during the summer when there is significant commercial and adventurer activity. The ice pack is a major



constraint to Canadian naval operations in the Western Arctic, precluding deployment of a warship. Smaller naval vessels such as Rigid Inflatable Boats (RIB) together with supporting air assets, supporting communications assets, land forces from JTFN (Rangers) and as suited to the operation available army sub-units are deployed during this operation including other government departments such as the CCG, RCMP, CIC, CBSA and Northwest Territories EMO, etc., where appropriate.

International Operations

Security in Canada ultimately begins with stability abroad and the CF have an important role to play internationally.

Reporting directly to the Chief of the Defence Staff, the Commander of CEFCOM is responsible for the conduct of all overseas operations, including humanitarian, peace support and combat operations.

Through CEFCOM, the CF will support a range of international operations and will be prepared to do the following:

- deploy forces globally, as directed by the Government, to participate in operations under NATO, the UN or other coalition auspices;
- support Canada's commitments to NATO and the UN by making maritime, land and air forces available to provide a rapid response capability for use in international emergencies and other security challenges;
- deliver funds and materials from CIDA to civil-military co-operation projects in theatres of operation;
- provide humanitarian assistance and conduct disaster relief activities in Canada and anywhere in the world which could include: helping civil authorities provide humanitarian relief, providing medical assistance, and re-establishing local infrastructure through the Disaster Assistance Response Team, possibly as part of an international joint and combined force; and
- evacuate Canadians from foreign countries threatened by imminent conflict, in conjunction with the military forces of other nations.

The deployable organizations under command of CEFCOM will include the following.

The **Disaster Assistance Response Team (DART)** will continue to provide humanitarian support and disaster relief to domestic and overseas missions, as directed. The core DART consists of four elements: primary medical care, water purification, Command and Control (C2) and integral support capable of expanding to include additional existing Canadian Forces capabilities. The DART Enhancement Project, expected to be completed in fiscal year 2007–



2008, aims to enhance the DART concept as it relates to its flexibility by adding equipment to better serve disaster response needs. The lessons learned from the deployments to Sri Lanka and Pakistan will be used to guide equipment requirements.

Maritime Command (MARCOM) will continue to deploy ships for international operations, specifically the Standing NATO Reaction Force Maritime Group 1 (SNMG 1), at a sustainable pace, while continuing to move forward on interoperability and pursue integration opportunities with the United States Navy. Maritime Forces Atlantic (MARLANT) will fulfill Canada's commitment to NATO with HMCS Athabaskan and HMCS Iroquois Command SNMG 1 deployments in 2006. MARLANT will also prepare for the standby phase of SNMG 1 deployment in July 2007.

The **Land Force Command** will continue to generate and maintain combat capable, multi-purpose land forces to meet Canada's defence objectives. At the request of the Afghan government, and under a United Nations mandate, Canada is leading NATO's expansion into southern Afghanistan with 2,300 Canadian troops in theatre. Even as they help the people of Afghanistan rebuild their country, they are playing a leadership role on the world stage and protecting Canada from terrorism.

It is the Chief of Land Staff's intent to aggressively pursue expansion activities to improve the force generation base. LFC composition will remain based on the types of people and organizations that are adaptive to changing environments, interoperable with other CF elements, and capable of leading integrated land effects.

The **Air Command** will continue to deliver accurate combat firepower and act as a deterrent by using its modernized CF-18 Hornet fighter aircraft armed with satellite-guided precision munitions. The air force will conduct Intelligence, Surveillance and Reconnaissance (ISR) through the co-ordinated employment of Uninhabited Aerial Vehicles (UAVs) and modernized CP-140 Aurora long-range patrol aircraft. The air force will provide tactical mobility through the use of CC-130 Hercules transport aircraft, the CH-146 Griffon helicopter and new medium- or heavy-lift helicopters, which Canada plans to acquire over the next few years. The Aurora long-range patrol aircraft and ship-borne CH-124 Sea King helicopters will continue to support maritime operations until the CH-124 Sea King helicopters are replaced by the new CH-148 Cyclone helicopters, beginning in 2008.

Building on experience gained in 2004 through the operational employment of tactical UAVs in Afghanistan, the air force will increase their use and expand their roles. New technologies have improved UAVs to a point where Defence can use their capabilities to complement existing surveillance platforms to provide improved ISR. Automated target recognition software will assist UAV operators as they cue other platforms, such as the modernized Aurora long-range patrol aircraft. The air force will continue to investigate other surveillance technologies, including enhancements to the North Warning System and the replacement of the obsolete Tactical Control Radars.

The estimated costs associated with the CF International Operations can be found in Section 3, Table 8.



For detailed information on activities related to operations in which the CF are currently involved, see http://www.forces.gc.ca/site/operations/current_ops_e.asp.



Contribute to Canadian Government and Society, and the International Community, in Accordance with Canadian Interests and Values

Strategic Outcome: Good governance, Canadian identity and influence in a global community.

Program Activity: Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interest and Values — Total Spending Net of Revenues				
Resources	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Departmental Spending (\$ Thousands)	\$892,421	\$928,019	\$946,222	\$983,184
Capital Spending (\$ Thousands) (included in departmental spending)	\$23,987	\$27,069	\$25,619	\$25,653
Human Resources - Military FTEs ¹	938	971	971	971
Human Resources - Civilian FTEs ¹	1,376	1,444	1,517	1,592

1. These FTE numbers are derived from a representative financial formula as there is not a consistent 1:1 relationship between FTEs and programs.

Source: Assistant Deputy Minister (Finance and Corporate Services), Chief Military Personnel and Assistant Deputy Minister (Human Resources - Civilian)

This third program activity supports the Government of Canada's outcome to provide good governance and to enhance Canada's identity and influence in the global community. It comprises the following three program sub-activities:

- provide advice to the Government of Canada;
- contribute to Canadian government and society in accordance with Canadian interests and values; and
- contribute to the international community in accordance with Canadian interests and values.

Provide Advice to the Government of Canada

DND will continue to provide defence and security advice to the Government of Canada as well as public information on defence policy and activities. In particular, DND will provide advice on the transformation of the CF, including the acquisition of new equipment and changes to the force structure.



Defence and Security Policy Advice

Strategic Partnerships

Defence cannot work in a vacuum. Fostering multi-agency co-operation is both a strategy to achieve greater results and policy coherence across the Government and a process by which those results are achieved.

National Defence will continue to work closely with other departments, particularly the Department of Foreign Affairs and International Trade (DFAIT), Public Safety and Emergency Preparedness Canada (PSEPC) and the Canadian International Development Agency (CIDA), to enhance day-to-day links at the staff and executive levels and to craft strategic-level recommendations to government on responses to domestic and international crises. Co-operation at the strategic level will help to ensure greater policy and operational cohesion and effectiveness.

Domestically, Canada COM will establish and maintain operational-level liaisons with other federal government departments. Regional Joint Task Force Commanders, responsible for executing the Canada COM mission within their assigned Areas of Operational Responsibility (AORs), will establish and maintain liaisons with local federal agencies, provincial departments and provincial police forces.

Internationally, an integrated approach combining diplomacy, defence and development is the best strategy for supporting states, including failed and failing states, that are dealing with a broad range of interconnected problems. Defence will co-operate closely with other government departments, non-government organizations and other organizations on the developing situations in Haiti, Sudan and the Middle East, while maintaining its efforts on Afghanistan. Defence will work closely with DFAIT and CIDA representatives when they are in theatre, thereby increasing co-operation at the tactical and operational levels by using the “Whole of Government Approach”. This includes sharing information as required with the Stabilization and Reconstruction Task Force established in DFAIT.

Continue to Strengthen Defence and Security Arrangements with the US

Defence will continue to work with its US counterparts to enhance North American security. NORAD remains a key element of the Canada–US defence relationship. In co-operation with DFAIT, Defence will implement the enhanced NORAD Agreement with the US.

The Permanent Joint Board on Defence has expanded to include representation from NORAD, PSEPC and the US Department of Homeland Security and Mexican officials. This expanded membership will provide a more comprehensive approach to North American security and defence issues.

Defence will continue to make meaningful contributions to the North American defence industrial base. It will also continue to participate in other continental security initiatives,



including the Canada–US Security and Prosperity Partnership, where it will, among other activities, support continental maritime domain awareness initiatives.

DND will continue to lead Canada's involvement in the Operational Experts Group of the American-led Proliferation Security Initiative. It will also remain engaged as a North American security partner through bilateral work with the US and Mexico.

More broadly, Canada will continue to participate at the Conference of Defence Ministers of the Americas; maintain its support for the Inter-American Defence Board and College; and continue with its bilateral maritime, land and air activities with other hemispheric partners.

Security and Defence Forum

Through the Security and Defence Forum, Defence will continue to develop and support a strong Canadian competence in contemporary security and defence issues; to foster informed public discussion and commentary; and to enhance communication between DND, the CF and the academic community.

Defence and Security Military Advice

Defence Research and Development Canada (DRDC)

DRDC, a DND agency, supports military operations by developing and assessing defence-related technologies and equipment that can contribute to Canada's current and future defence capabilities. DRDC scientists analyze emerging defence trends, concepts and technologies for potential application in DND/CF tasks. Through its contracted research program, DRDC engages industry and academia in a variety of programs that enable DND to tap Canada's entire defence and security science and technology (S&T) capability. DRDC also pursues key research and development (R&D) activities with Canadian industry and its allies. This assists the CF to be smart buyers and fosters Canadian industrial capabilities to potentially support acquisitions.

DRDC is a leader in Canada's Innovation Strategy and facilitates co-operation among other government departments, agencies and councils. It leads or participates in horizontal S&T initiatives under the public security and anti-terrorism umbrella. The Chemical, Biological, Radiological and Nuclear Research and Technology Initiative (CRTI), led by DRDC, is one of the federal science community's responses to these issues.

DRDC is developing an integrated "system of systems" to protect Defence personnel from chemical, biological, radiological and nuclear (CBRN) agents, while optimizing their ability to work in the face of such hazards in international and domestic operations. DRDC feeds the outputs of its R&D initiatives into a number of capital and non-capital projects to give Canada a CBRN defensive capability in areas of detection and identification, decontamination, warning and reporting, individual and collective protection, hazard management; and medical counter-measures. DRDC will continue to work with both military and civilian first responders, who are likely to be called upon to handle chemical, biological or radiological (CBR) threats, at the Counter-Terrorism Technology Centre (CTTC) in



Suffield, Alberta. The CTTC also serves as a forensic reference centre, validates CBR equipment and materials, and provides advice and training to the first-responder community.

Arms Control and Proliferation Security

Defence remains committed to achieving Canada's arms and proliferation control objectives in close cooperation with DFAIT. Defence will seek to advance Canada's efforts to prevent, contain and roll back the proliferation of weapons of mass destruction by participating in the Proliferation Security Initiative (PSI) and by continuing its support for the Chemical Weapons Convention, the Biological and Toxin Weapons Convention, the Nuclear Non-Proliferation Treaty, as well as the G8 Global Partnership Program. Defence will play its part in UN Small Arms and Light Weapons regulatory activities, and will work to advance ratification of Protocol V (Explosive Remnants of War) to the Convention on Certain Conventional Weapons. As well, Defence will continue to provide advice and guidance to Canada's Permanent Delegation to the Organization for Security and Co-operation in Europe during Canada's chairmanship of the Forum for Security Co-operation in the fall of 2006.

The CF will continue to participate in arms control and verification operations in support of the Conventional Armed Forces in Europe Treaty, the Vienna Document 1999 on Confidence and Security Building Measures, the Dayton Peace Accords, the Treaty on Open Skies, Small Arms and Light Weapons programs, and other treaties, conventions, agreements and arrangements. CF activities will include on-site and area inspections, reconnaissance and evaluation missions, escort and assistance to foreign inspections, as well as a range of observation and monitoring functions. The CF will also contribute to interdepartmental initiatives in new areas of verification and conflict prevention to advance Canada's efforts with respect to proliferation security. These are key avenues through which Canada will seek to reduce and control various categories of weapons, limit and lower the threshold of conflict, and increase trust and security among states.

Further information regarding arms control and proliferation security is available at: <http://www.dfait-maeci.gc.ca/arms/menu-en.asp>.

Contribute to Canadian Government and Society, in Accordance with Canadian Interests and Values

Defence contributes to this program sub-activity through its many outreach and public awareness campaigns, its participation on committees and in defence fora, and the contributions of its multidisciplinary and knowledgeable staff to the development of regulations and policies. The following are a few examples of Defence's contribution to this outcome.



Support to Government of Canada Programs

National Search and Rescue Secretariat and National Search and Rescue Program

The National Search and Rescue Secretariat (NSS) was established in 1986 to provide leadership to the National Search and Rescue Program through the Interdepartmental Committee on Search and Rescue (ICSAR). ICSAR includes representatives from the federal departments and agencies providing Search and Rescue (SAR) services, and central agencies. The NSS reports directly to the Lead Minister for Search and Rescue (LMSAR), the Minister of National Defence.

The NSS is accountable to LMSAR for the development, coordination, analysis and review of federal SAR program policies and plans, and for specific activities. In addition, the NSS provides leadership in enhancing coordination between provincial, territorial and federal SAR programs, and advises LMSAR on program issues.

National SAR Program Management Framework

The National SAR Program management framework is designed to meet key Government of Canada objectives in the areas of integrated performance information, collective risk management and appropriate control mechanisms. The framework is documented in the Strategic Directions Paper, the Program Plan and the Annual Report.

Challenges and Risks

The six key National Search and Rescue Program challenges identified are: Changing government priorities; Horizontal program management; Interoperability; Sustainability of volunteer SAR organizations; SAR events that go wrong; and, Physical environment.

Plans and Priorities

National SAR Secretariat Activities

To support the National SAR Program priorities, the NSS has the following priority activities for fiscal year 2006–2007:

- Implement new management and comptrollership of the Search and Rescue New Initiatives Fund;
- Improve the National SAR Program management framework by strengthening performance reporting;
- Determine Canada's future role in COSPAS-SARSAT, including confirming Canada's participation in the transition to middle earth orbit satellites;
- Determine and implement options to obtain more effective, robust IM/IT infrastructure, including improvement in the management of government information that complies with government policies and guidelines;



- Improve coordination between the National SAR Program and emergency management and public safety activities;
- Identify the strengths and weaknesses of existing Northern SAR infrastructure and SAR-related plans and procedures, and develop solutions for risk reduction.
- Ensure the maximum return on resources invested in the annual national workshop, SARSCENE, to the benefit of the search and rescue community and the public;
- Engage provinces and territories, and other stakeholders, in addressing the emerging policy issues that impact the national search and rescue system;
- Identify the key challenges that will need to be addressed to ensure a strong and viable SAR volunteer community.

National SAR Program Plan Priorities

The 2006 National SAR Program Plan identifies a number of priorities for the National SAR Program. The following have been identified as the top priorities that will influence the SAR plans and activities of the partners in the National SAR Program:

- **Public Education and Awareness:** reduce the number and severity of SAR incidents. The development of creative inducements in the areas of prevention and mitigation could result in lower costs to all agencies including public healthcare, the insurance industry and SAR responders.
- **Data Management:** improve the ability to collect, analyze and evaluate SAR incidents and/or responses in order to establish priorities and allocate resources.
- **SAR Volunteer Community:** identify ways to sustain volunteer SAR organizations through training, funding and engagement.
- **Financial Resources:** improve capability to link resource inputs, service outputs and program outcomes.
- **Training Standards and Exercises:** encourage common training and standards across various sectors of the SAR community, and evaluate and reinforce them through multi-jurisdictional exercises that include common command, control and communications.
- **Technology:** develop methods/vehicles to better integrate new alerting/communications technologies to enhance interoperability
- **Machinery of Government:** strengthen ICSAR's leadership of the National SAR Program through improved coordination between SAR and emergency management and public safety activities.

National SAR Program Partner Activities

The 2006 National SAR Program Plan identifies a number of new or ongoing initiatives to be carried out by SAR organizations during the coming year (lead organization indicated) that will have significant long-term impacts on the delivery of SAR services in Canada:

- Fixed Wing Search and Rescue Aircraft Procurement (CF)
- Coast Guard Fleet Renewal (CCG)
- 406 MHz Personal Locator Beacon transition (TC/NSS)



- Public Safety Radio Interoperability Initiative (Public Safety and Emergency Preparedness Canada/NSS/Provinces/Territories)
- Environment Canada departmental transformation (EC)
- Evolution of the Canadian Coast Guard as a Special Operating Agency (CCG)
- Canadian Forces Transformation (CF)
- Enhancement to the SAR Mission Management System (CF)
- Multi-jurisdictional exercises (various).

For detailed financial tables of the National Search and Rescue Secretariat, refer to Section 4, page 109. For more general information of the Secretariat see www.nss.gc.ca

Canadian Forces Grievance System

Defence's objective is to establish a CF Grievance System (CFGs) that can support the global lifecycle of all grievances throughout the CF. The CFGs will enable all involved parties to effectively deal with complaints at all levels, from the initial stages when a complaint can be resolved informally to the time a final grievance decision is rendered.

Currently, the CF have no means of tracking the number and type of grievances dealt with within Defence. Furthermore, governance tools to support complaint and grievance resolution are limited, and those that do exist—such as the *National Defence Act* (NDA), Queen's Regulations and Orders (QR&O), Canadian Forces Administrative Orders and handbooks—need updating. Without a functional CFGs, the CF will remain blind in regard to the global picture of complaints and grievances, and appropriate policy improvement will not be possible.

In response, Defence will create a CFGs by:

- o establishing a registry and a CF-wide grievance system to track grievance decisions;
- o updating the NDA and QR&O, creating a related Defence Administrative Order and Directive (DAOD), and developing handbooks for commanding officers, grievors and advising officers;
- o establishing a case management communication reporting network; and
- o establishing a grievance stakeholder committee.

For additional information on the Canadian Forces Grievance Board visit: www.cfgb-cgfc.gc.ca/process-e.php



Official Languages

In 2006, National Defence will produce a new *Official Languages Strategic Plan* covering the years 2007–2012. The aim of the Plan is to ensure that National Defence consistently employs linguistically qualified personnel to provide bilingual services to Canadian citizens, and internal services, leadership, instruction and supervision to CF and DND personnel where and when required by the *Official Languages Act*. The Plan will support the ongoing CF transformation and will result in second language training and employment policies being realigned to better support military and civilian operations and training. National Defence will also continue to implement the new Treasury Board Official Languages Policy Framework and the *Public Service Official Languages Appointment Regulations*. Once completed, the *Official Languages Strategic Plan* for 2007–2012 will include objectives to ensure that senior military officers that are EX equivalents (Colonels/Captains(Navy) and above) attain and maintain a bilingual ability of CBC or better. Initial focus will be upon the flag and general officer corps.

Second language training within the CF is embedded in the CF training system and is funded in full by National Defence. The key institution associated with the military second language training is the Canadian Forces Language School. The School is responsible for coordinating the language-training curriculum for the CF and for providing a variety of courses ranging in duration from several weeks to one year. In addition, language-training centres are also set up on various bases located throughout the country to accommodate the language training requirements of military members.

Of the Lieutenant-Colonels/Commanders selected during fiscal year 2006–2007 to be promoted to the rank of Colonel/Captain (Navy) during 2006, 70% of them are to attain a linguistic profile of CBC. They are given one year from the date of promotion to achieve the required profile. All officers selected to become commandants of CF (national-level) schools are to have a minimum linguistic profile of CBC, as of 2005. This policy, which applies primarily to Lieutenant-Colonels, has been complied with and will continue to be complied with during fiscal year 2006–2007.

The Canada School of Public Service is responsible for providing second language training for employees with statutory requirements. Defence anticipates that demand for second language training will continue to increase as a direct result of the Official Languages Policy Framework and the Treasury Board Official Languages Policy. With imperative staffing the norm, second language skills are more crucial than ever in terms of operational needs, retention and career development.

Employment Equity

As part of the mandatory requirement under the *Employment Equity Act*, the CF reviewed all employment systems — including policies, practices and procedures — to identify employment barriers. As a result, the CF drafted a new Canadian Forces Employment Equity



Plan that will be submitted for approval in September 2006, once the Canadian Human Rights Commission has approved the proposed new Work Force Analysis methodology.

With respect to civilian employees, the principal DND Employment Equity (EE) issue has been the under-representation of visible minorities. In addition, DND civilian employees are under-represented, but to a lesser degree, by Aboriginal peoples and women.

Key activities for the planning period will be to:

- continue to implement the Corporate EE Action Plan, which will include conducting an in-depth analysis of diversity/EE training and education needs;
- align EE with the DND recruiting strategy; and
- ensure compliance with the *Employment Equity Act* by monitoring and measuring the progress of the Corporate EE Action Plan and meeting other reporting and central agency requirements including the People Component Management Accountability Framework.
- Representation goals, by employment equity group, for 2007–2008 are outlined in the table below.

EMPLOYMENT EQUITY GROUP	REPRESENTATION AS OF NOVEMBER 1, 2004	REPRESENTATION GOAL FOR 2007–2008*
Women	7,951	8,220
Persons with disabilities	1,172	816
Aboriginal people	433	464
Visible minorities	1,025	1,245
Source: ADM (HR-Civ) Employment Equity Database, 1 November 2004		
Note: * Labour Market Availability (LMA) figures derived from the 2001 Canada Census		

Contribute to the Canadian Economy and Innovations

International Research and Development Cooperation

Defence Research and Development Canada (DRDC) is involved in numerous international collaborative activities with other nations. Such participation not only facilitates the exchange of new knowledge and expertise but also heightens Canada's profile on the world stage. This ongoing collaboration is carried out under various international agreements such as:

- the Technical Cooperation Program involving Canada, the UK, the US, New Zealand and Australia;
- the NATO Research and Technology Organization;



- the Technology Research and Development Projects agreement and Master Data Exchange arrangement with the US;
- the Memorandum of Understanding concerning cooperative science and technology with the Netherlands; and
- the Trilateral Technology Research and Development Projects agreement with the US and the UK.

Contribute to Canadian Identity

Defence proudly supports numerous projects that highlight the history and military heritage of the CF— a history that attests to the proficiency of the CF.

Canada's History, Heritage and Identity

Through the work of its various component organizations, Defence has become an important part of Canada's history, heritage and identity. It gathers and preserves written records and material artefacts, which together tell the story of the service of the CF at home and abroad. It helps give Canadians access to these materials by supporting CF museums, the military artist program, veterans' pilgrimages, and the research and writing of heritage publications and commemorative and official histories. The latter, as Colonel C.P. Stacey observed 50 years ago, are produced to reflect the underlying consideration that governments need "a record of experience for future guidance" and that the Canadian public has the "assumed right ... after the lapse of a reasonable period of time, to authentic accounts of great national crises as revealed in the official records." In fiscal year 2006–2007, plans and priorities related to military history and heritage will include the following:

- recovering and ceremoniously burying 17 deceased airmen in Burma, France and the Netherlands;
- marketing the Canadian Military History Gateway to classrooms, military researchers and the general public, while improving its content;
- promulgating a revised CF accredited museums strategic framework to guide CF accredited museums for the next 10 years;
- promulgating the official history of the Canadian navy, volume 2, part 2;
- promulgating the official lineages of the artillery, armour and engineers; and
- promulgating a sketch account of Aboriginal people and the Canadian military.

National Defence Public Affairs will continue to support CF outreach activities in communities across Canada, and will continue to work with a broad spectrum of



stakeholders, including other government departments and non-governmental organizations. By working with key presenters and target audiences, these outreach activities will promote greater public understanding of the CF's role, policies and mandate. The understanding and dialogue generated through these proactive efforts will lessen the need for reactive, crisis driven communications.

Activities to engage and inform Canadians in fiscal year 2006–2007 will include:

- stakeholder familiarization visits to CF installations in Canada and overseas;
- speaking engagements by CF members to community organizations, schools and business associations; roundtable discussions and seminar presentations involving the academic and business communities; and
- programming of national thematic days and weeks, such as National Veterans Week.

These initiatives will reach a large segment of Canada's population, familiarize the public with the CF, and reinforce messaging on Government of Canada and Defence priorities.

Contribute to Youth and Education

Cadet Instructor Cadre

The Cadet Instructor Cadre (CIC) is a sub-component of the Reserve Force, consisting of officers who have undertaken, by the terms of their enrolment, to perform such military duty and training as may be required of them. It consists of officers whose primary duty is the supervision, administration and training of cadets 12 to 18 years of age. They ensure the cadets' safety and welfare while developing in them the characteristics of leadership, citizenship, physical fitness and stimulating an interest in the sea, land and air activities of the CF.

Canadian Cadet Program

The Canadian Cadet Program is a federally sponsored national training program for youth between the ages of 12 and 18, conducted by Defence in partnership with the Navy Cadet League, the Army Cadet League and the Air Cadet League. The leagues recruit cadets, and organize accommodation and sponsors for each cadet unit. The CF provides personnel from the Regular Force, the Primary Reserve and more specifically members of the CIC. The CF also provides uniforms, some infrastructure and other support services such as airlift.

Many young Canadians will benefit from cadet training from September to June. Many cadets are selected to attend one of the 25 Cadet Summer Training Centres located across the country either as trainees, or as Staff Cadets in leadership roles.



Junior Canadian Rangers

The Junior Canadian Rangers (JCR) Program is for youth between the ages of 12 to 18, and its aim is to provide a structured youth program through traditional, life and Ranger skills development activities. JCR Patrols are located in remote and isolated communities of Canada that have Canadian Rangers. The JCR Program is conducted in collaboration with local committees of adult community members who are in many cases supported directly by the band, hamlet or municipal council. The community provides a location for training, screens potential volunteers and instructors, and schedules training activities. The CF provide uniforms, training, financial and administrative support to the program, and CF Regular Force and Primary Reserve personnel assist delivery and evaluate JCR training during regular visits and field training exercises. The CF also provide Canadian Rangers with opportunities to serve as leaders, facilitators, supervisors and program developers.

DND will continue to engage local, regional, provincial or territorial and federal agencies and organizations, and other government departments, specifically Indian and Northern Affairs Canada.

Contribute to the International Community, in Accordance with Canadian Interests and Values

Defence will provide financial contributions and personnel assignments to multilateral organizations (principally NATO and the UN) and contribute to multilateral development of good governance in regions and countries at risk. The CF will establish military activities with friendly nations, including exchanges, training and joint exercises.

Meeting Commitments to International Organizations/Exchange

Enhancing Industrial and Defence Relationships

Defence will enhance Canada–US industrial and defence relationships by identifying and developing opportunities for collaborative materiel-related activities, such as DND’s participation in the US-led Joint Strike Fighter (JSF) Program.

During fiscal year 2006–2007, the Materiel Group will advance Canadian participation in the JSF Program in two major areas. First, Defence will complete negotiations with the US, UK, Italy, the Netherlands, Denmark, Norway, Turkey and Australia on the Production Sustainment and Follow-on Development Memorandum of Understanding, and will seek government approval for the next phase of the program. Second, Defence will negotiate industrial participation plans with each of the major prime contractors in the JSF Program from 2007 to 2046.



Defence will also participate in various international legal working groups, through the work associations of the Office of the Judge Advocate General (JAG). The JAG protects the interests and values of Canadians by ensuring that the rule of law is upheld through the following mechanisms.

- **The Proliferation Security Initiative (PSI):** JAG legal officers participate in the PSI international working group on legal issues surrounding maritime proliferation security initiatives.
- **The NORAD Contingency Plan (CONPLAN):** The Office of the JAG continues to provide requisite legal support to the ongoing review of the NORAD CONPLAN.
- **Computer Network Defence (CND):** JAG lawyers participate in the AUSCANZUKUS⁷ working group on legal issues surrounding CND.

Multilateral Organizations

The United Nations remains a cornerstone of Canadian foreign and defence policy. Defence will provide personnel to peace support missions, particularly in positions that will act as force multipliers for the UN or increase the effectiveness of its deployed headquarters. DND will also continue to support other organizations, such as NATO, the European Union or coalitions of like-minded countries, to carry out peace support operations on the UN's behalf.

Canada's security interests require a strong and vital NATO. Canada is currently the sixth-largest contributor to the Alliance's budget and the third-largest contributor of funds and personnel to NATO's Airborne Early Warning System (AWACS). The CF will continue to fill key military positions in NATO Headquarters. Significantly, General Raymond Henault, Canada's previous Chief of the Defence Staff, is currently serving as Chairman of NATO's Military Committee, the Alliance's most senior military policy position. Defence will also continue to commit the CF and civilian personnel in support of NATO operations, particularly the Alliance's International Security Assistance Force in Afghanistan.

Canada's peacetime commitment to NATO involves the following contributions:

- a ship to the Standing NATO Maritime Group (approx. 220 members);
- some 114 members to the NATO AWACS;
- approximately 223 members to various NATO headquarters;
- funds to NATO's common-funded military budget and Security Investment Program; and

⁷ Australia, Canada, New Zealand, the United Kingdom and the United States (AUSCANZUKUS) working group.



- ongoing participation in NATO military exercises.

Moreover, Canada will provide additional peacetime support to NATO through a variety of bilateral training initiatives that give NATO allies access to training facilities in Canada. Defence will provide additional support through the NATO Flying Training in Canada Program and the Military Training Assistance Program (MTAP). The MTAP is Canada's main contribution to NATO's Partnership for Peace Program. The Counter-Terrorism Technology Centre (CTTC) at DRDC Suffield will continue to provide training to CF personnel, military personnel of NATO countries, and to civilian first-responders who are likely to be called upon to handle chemical, biological or radiological threats.

In partnership with DFAIT, Defence will explore opportunities to improve co-operation with the European Union. Although it has been downsized significantly, the CF presence in Bosnia–Herzegovina as part of the EU military mission provides experience in EU crisis management operations.

Advisory and Training Support to Other Nations

Military Training Assistance Programme (MTAP)

Defence diplomacy will remain an important part of National Defence's efforts to contribute to international stability. Bilateral and multilateral contacts, including staff talks, ship and aircraft visits, training, personnel exchanges and participation in exercises are important elements of Canada's foreign policy. They help Canada understand the security issues at stake in regions throughout the world while enhancing democracy and civilian control and accountability within other armed forces.

The Military Training Assistance Programme (MTAP) is a key instrument of defence diplomacy that advances Canada's contribution to international peace and security. MTAP training develops key security sector capacities in member countries while advancing Canadian defence interests and bilateral relations. In support of these aims, MTAP will continue to deliver language development, staff and professional, and peace support operations training. For additional information visit:

http://www.vcds.forces.ca/dgsp/pubs/rep-pub/ddm/rpp/rpp06-07/sec3b4_e.asp

Defence also conducts law of armed conflict and operations law courses for the CF each year. A broad range of personnel from the Department of Justice Canada, DFAIT, foreign military organizations and non-government organizations also attend these courses.

Defence will lead bilateral military staff talks or participate in DFAIT-led bilateral security consultations with key partners in the Americas, Europe and Asia. It is intended that Canada will host staff talks in 2007 with the United Kingdom, France, the Russian Federation and Germany. Defence will also coordinate an inter-departmental process on naval ship visits to ports in selected partner countries around the world.



Executive and Corporate Services

This section is not part of the three program activities and is often referred to as corporate “overhead.” It comprises the activities carried out by directorates that provide corporate governance and strategic management activities. The intent is to phase out this category as the PAA structure matures.

Safety Programs

The General Safety Program is one of several active safety programs within DND and the CF. These programs and their associated offices of primary interest are enumerated in Defence Administrative Order and Directive 2007-0, Safety.

DND will employ a revised, strengthened safety governance structure to enhance synergy among its safety programs, thereby reducing duplication and inefficiencies.

Fiscal year 2006–2007 will see continued and improved compliance with the Canadian Labour Code, Part II, in a number of areas, including hazard analysis and risk management.

Nuclear Safety

The Minister is responsible for establishing and monitoring an effective, credible and efficient self-regulatory regime for the control and safe use of ionizing radiation sources in DND and the CF. The Risk-Based Control (RBC) Regime will ensure that DND/CF activities are undertaken and managed with due consideration for risk versus adequate control, safety measures and effort. For additional information, see the annual reports on nuclear safety.

Enhance Modern Management

Defence supports intelligent, forward-looking, effective and efficient management practices consistent with Government of Canada standards. It is currently tracking performance in this area using the following five indicators.

a. Governance and Strategic Direction

Using the DND/CF Performance Management Framework, which includes the Management, Resources and Results Structure (MRRS), the Program Activity Architecture (PAA) and the Balanced Scorecard, ensures that there is an end-to-end governance structure that links the DND/CF mission, strategic direction, decision-making, plans and priorities to the strategic results and outcomes. This Performance Management Framework is being cascaded throughout the organization and Defence is seeing early successes in a variety of Senior Management organizations, such as the following.



- Maritime Command will maintain its support of Continuous Improvement (CI) in the formations. Headquarters staff will continue to provide advice, assistance and co-ordination for CI initiatives by applying management tools such as the National Quality Excellence Framework and the Balanced Scorecard, CI training, benchmarking, best practices research and knowledge management.
- Land Force Command (LFC) will continue to use its Strategic Operations and Resources Directive (SORD) in conjunction with the army five year plan to link LFC's mission, strategic direction, plans and priorities, resource allocations and performance measurement to generate and sustain combat capable, multipurpose land forces to meet Canada's defence objectives. The progress will be measured through LFC's Performance Management Framework with direction, tasks, and resources reassigned as situations change.
- Air Command continues to develop its Balanced Scorecard to make it a meaningful performance measurement tool to help the air force refine its priorities and resource allocations. The newly implemented Air Force Business Plan Action Plan Tracker and Business Plan Quarterly Review also help the air force accomplish assigned tasks within allocated resources. In addition, the air force is well positioned with its Air Force Capability Structure to fully integrate the new Program Activity Architecture. From a strategic perspective, the Business Plan articulates specific air force tasks and priorities.
- The Materiel Group has recently completed a restructuring that saw the creation of a focused group strategic and business planning team within the Chief of Staff Assistant Deputy Minister (Materiel). This effort also saw the full integration of DND's materiel acquisition and support (MA&S) policy, systems and requirements responsibilities into the new Director General Materiel Systems and Supply Chain (DGMSSC) division.

b. Risk Management

Integrated Risk Management (IRM) within Defence is progressing. The Vice Chief of the Defence Staff (VCDS) approved the DND/CF IRM Policy and Guidelines for release in October 2005. The Assistant Deputy Minister (Public Affairs) also released an Internal Communications Approach document addressing IRM implementation. A draft IRM Implementation Plan for Defence is also nearing completion.

In 2005, Defence conducted an environmental study of strategic risks, including Senior Management interviews. The document *Strategic Risk Areas in National Defence* outlined the results. Defence will further refine this document after reviewing the Senior Management strategic assessments completed in November 2005, using as references the IRM documents previously described. Defence is also integrating IRM into the Performance Management Framework (PMF), which will be the main portal for reporting risk information. Further efforts to integrate IRM into other strategic processes within Defence will continue throughout fiscal year 2006–2007. These efforts will include long-term work to develop and implement an effective IRM framework across all DND/CF Materiel Acquisition and Support (MA&S) activities.



IRM training is continuing across Defence. In addition, it is developing an online RiskSmart course, scheduled for implementation in the winter of 2006. Additional IRM orientation training will be offered at DND/CF management schools.

The next crucial milestone for IRM in Defence is the development of an Operational Risk Profile (ORP) by the end of fiscal year 2006–2007. Once completed, the ORP will help decision-makers consider risk factors from an organizational perspective.

Each year, Defence will continue to apply risk management techniques that reflect historical DND funding trends. Continued application of a prudent risk management strategy that incorporates reasonable levels of over-programming in combination with identified off-ramps is essential to its ultimate success in achieving the mandate.

c. Stewardship and Comptrollership

The empowering aspect of the modern comptrollership agenda for commanders is that it demands that comptrollers and financial support tools be results oriented with defined performance measurement metrics to aid in the decision making process through the integration of performance measurement and financial information systems. Modern comptrollership will provide managers with integrated financial and non-financial performance information, a sound approach to risk management, appropriate control systems and a shared set of values and ethics. Key to progressing modern comptrollership in Defence is having the right personnel in the right jobs with the right skills set.

In response to the Government Action Plan on strengthening public sector management, the directive on “Strengthening Accountability and Comptrollership in the Department of National Defence” provided clear guidance and direction to managers and leaders at all levels on management practices and controls, stewardship of resources, probity and fiduciary responsibilities. There are many initiatives that are underway to strengthen accountability and comptrollership. Some of these include:

- o *Financial Administration Act* (FAA) Section 33 compliance activities were strengthened through the development of a 20 person FAA Compliance Cell that has been functioning since September 2004. The Cell conducts pre-payment reviews on all transactions over \$250K, all transactions considered sensitive or high risk, and a post payment sampling on all transactions.
- o A quarterly FAA compliance report is provided to all Level One organizations. All comptrollers meet regularly with their resource managers to review FAA Sections 32 and 34 certification responsibilities. All resource managers are encouraged to complete the Resource Managers’ Course, available through the Defence Wide Area Network and the Internet. Delegated signing authorities are reviewed annually and the Expenditure Management Course is mandatory for all personnel with financial signing authority.



- o Commitment Accounting is mandatory for invoice processing. The overall goal is to commit all planned expenditures, using a phased-in approach. Beginning in fiscal year 2006–2007, it will be mandatory to commit Salary Wage Envelope, National Procurement activities, Work Breakdown Structure activities and expenditures for which a payment will be made to a supplier/contractor; and
- o Work continues on accrual accounting implementation. A three-year action plan has been established and monitored by an ADM level Interdepartmental Steering Committee on Asset and Inventory Valuation.

Over the fiscal year 2006–2007 planning period, Defence expects to implement the remaining recommendations using strategies focused on the enhancement of training programs, organizational changes, resource re-alignment and enhanced policy direction.

d. Accountability

A key objective for Defence is to enhance management excellence by implementing *Strengthening Accountability and Comptrollership in National Defence* and TBS's Management Accountability Framework (MAF) and by focusing on strengthening accountability and controls in the areas of financial management and contracting.

The Assistant Deputy Minister (Materiel) is accountable for DND's Materiel Acquisition and Support (MA&S) process. While many organizations across the country execute the process, the Materiel Group develops and promulgates MA&S policies and procedures, provides functional guidance and support, and provides the appropriate level of oversight to ensure process integrity. The Materiel Group will again issue functional planning guidance to all senior management organizations to ensure that DND executes its MA&S process in the most efficient and effective manner.

Furthermore, Defence is increasing its efforts to ensure compliance at all levels with the *Financial Administration Act*. It is upgrading financial accounting and reporting systems to improve visibility and control. It will also improve the effectiveness of information sharing by implementing the new information management strategy and governance, and enhance internal communications.

e. Results and Performance

Performance management is a key component of the overall business planning cycle. Defence will ensure that the DND/CF Performance Management Framework (PMF) provides relevant information on internal, service and program results; that the information is available for decision-making and public reporting; and that the information is balanced and factual. The PMF system has matured well in DND and senior managers routinely discuss issues raised through the PMF system, in structured Balanced Scorecard discussions. The semi-annual internal performance management report continues to be a cornerstone for communication within the senior leadership. Defence is cascading this structure and format down to other levels within DND and the CF. Senior Management organizations are reporting successes in using this



framework, such as the following.

- The navy's strategic PMF continues to evolve to ensure its alignment to strategy and to the identification of relevant strategic measures. The Maritime Staff Management Team is conducting a case study to develop performance measurement report guidelines, using actual fiscal year 2004–2005 performance as measured against the Maritime Business Plan. This process will be refined and Maritime Capability Planning Guidance 2007–2008 will provide more specific guidance on how Maritime Command will report on its plan and progress.
- The army Performance Measurement system is the tool used by Land Force Command (LFC) to monitor and report on the overall health of the entire army program. This system, in place since 2000, is based on a modified, automated balanced scoreboard methodology. The success of the army PM system will be measured in part with the quality of input to the DND/CF PMF and how well it meets the ongoing decision support needs of army commanders.
- The Balanced Scorecard is the air force's primary performance management tool. It also includes a strategy map. The Balanced Scorecard enables the air force to clarify its vision and strategy and translate them into operational objectives. The Balanced Scorecard, along with the strategy map, will facilitate communication of strategic intent and assign responsibility and accountability for air force strategic objectives.
- The improved PMF for the Materiel Group will improve business and performance management processes and will enable the Group to assess the capacity and readiness of the organization to meet its obligations; determine whether corporate strategies are being met; evaluate the effectiveness of the organization's operations; and determine the ongoing effectiveness of the organization's use of resources.
- The Human Resources (Civilian) Group has maintained a Performance Measurement Framework for the last three years. Measures have focused on volume and speed in the areas of staffing, classification and staff relations. The framework has helped to identify areas for improvement of civilian human resources processes. This PMF will continue to be developed to cover other areas of the Balanced Scorecard.

Effective performance measurement will provide information for planning and control in the organization, and will ensure that the direction, efforts and results of the organization are aligned.



f. Audits and Evaluations

Internal audit

Internal audit, which is provided within the DND/CF by the Chief Review Services (CRS) organization, is principally charged with providing sufficient and timely assurance and advisory services on key DND/CF management systems, projects, processes and practices. Assurance services are scoped to address risk management strategies, management control frameworks and information for decision-making, reporting and accountability.

Key internal audits expected to be completed in 2006–2007 include: Audit of Military Moves, Audit of Transportation Management, Audit of Inventory Management – Stocktaking, as well as several audits related to selected services contracts. In addition, CRS anticipates initiating additional audits related to the Financial Information Strategy, as well as the capital equipment program.

A key goal of CRS during 2006–2007 will be to move forward with the expansion of internal audit through the recruitment of additional internal auditors.

Program Evaluation

The evaluation function in DND and the CF will continue to focus on conducting evaluations of key operational programs. These evaluations will provide information on value for money, program rationale and effectiveness. In addition, evaluations are a key tool of accountability, providing information on program governance and results.

In 2006–2007, Defence will conduct evaluations to support transformation of the CF and focus on people, technology, ways of conducting operations and ways of thinking. Given that it is an iterative and continuous process, evaluation can play an important role in ensuring that it is achieving the desired results.

A list of Audit and Evaluation work planned for fiscal year 2006–2007 can be found in Section 3, Table 13.

Completed reports can be found on the CRS website at the following link:

http://www.vcds.forces.ca/crs/rpt/reports_e.htm.

Labour Relations

The Labour Relations Program develops labour relations policies, programs and tools to enhance positive labour-management relations; oversees and monitors the implementation of these policies and programs; and provides expert advice, guidance and interpretation concerning labour relations matters, such as collective agreements, discipline, consultation, DND policies and programs, grievances, harassment prevention and resolution, and human rights.

In addition, it manages and monitors civilian grievances, human rights complaints, and collective bargaining and strike management. Key activities for the planning period include the following:



- the continuing promotion of Alternative Dispute Resolution (ADR) in complaint resolution;
- the negotiation of essential services agreements with bargaining agents; and
- manage the implementation of the PSEA with respect to political activities of DND employees, a task that will include developing departmental procedures and monitoring mechanisms.

a. Civilian Recourse Registry

DND will establish the *Civilian Recourse Registry* to manage, administer and monitor labour relations and classification grievances and staffing complaints in an integrated fashion. Key activities for the planning period include the following:

- establish the organization;
- revise processes for handling labour relations grievances (including deployments), staffing complaints and Deputy Head investigations outlined in the new *Public Service Labour Relations Act* and PSEA; and
- develop a communication strategy for employees and managers.

b. Concurrent Jurisdiction

The Office of the Judge Advocate General is working together with the Provost Marshal to develop policy guidance for military police investigators and prosecutors addressing issues of concurrent jurisdiction between CF and civilian investigative and prosecutorial authorities. This project is directly linked to the passage of Bill C-15A, which amends the *National Defence Act* to permit input of service offender information into the Canadian Police Information Centre database. The completion date for this project is October 2006.

c. Office of the Ombudsman for DND and the CF

The Ombudsman's Office is a direct source of information, referral and education for the men and women of DND and the CF. Its role is to help individuals use existing channels of assistance or redress when they have complaints or concerns. In addition, the Ombudsman may investigate and report publicly on matters affecting the welfare of members and employees of DND and the CF, and other people falling within his jurisdiction. Complainants will also be given easier access to the Office's services by improving web sites and conducting outreach to troops on bases and overseas.

The ultimate goal is to contribute to substantial and long-lasting improvements to the overall quality of life of military members and their families by:



- o Identifying and investigating systemic risks and issues affecting military members and their families (such as Post-Traumatic Stress Disorder (PTSD) and environmental exposure), and making recommendations to address them;
- o Acting as a last-resort mechanism to look into individual complaints, and, where appropriate, intervene to promote fair treatment of military members;
- o Raising public awareness about issues that affect the welfare of members of the defence community; and
- o Serving as a resource and model within the federal government and other countries on the effective use of the Ombudsman concept.

Defence Public Affairs

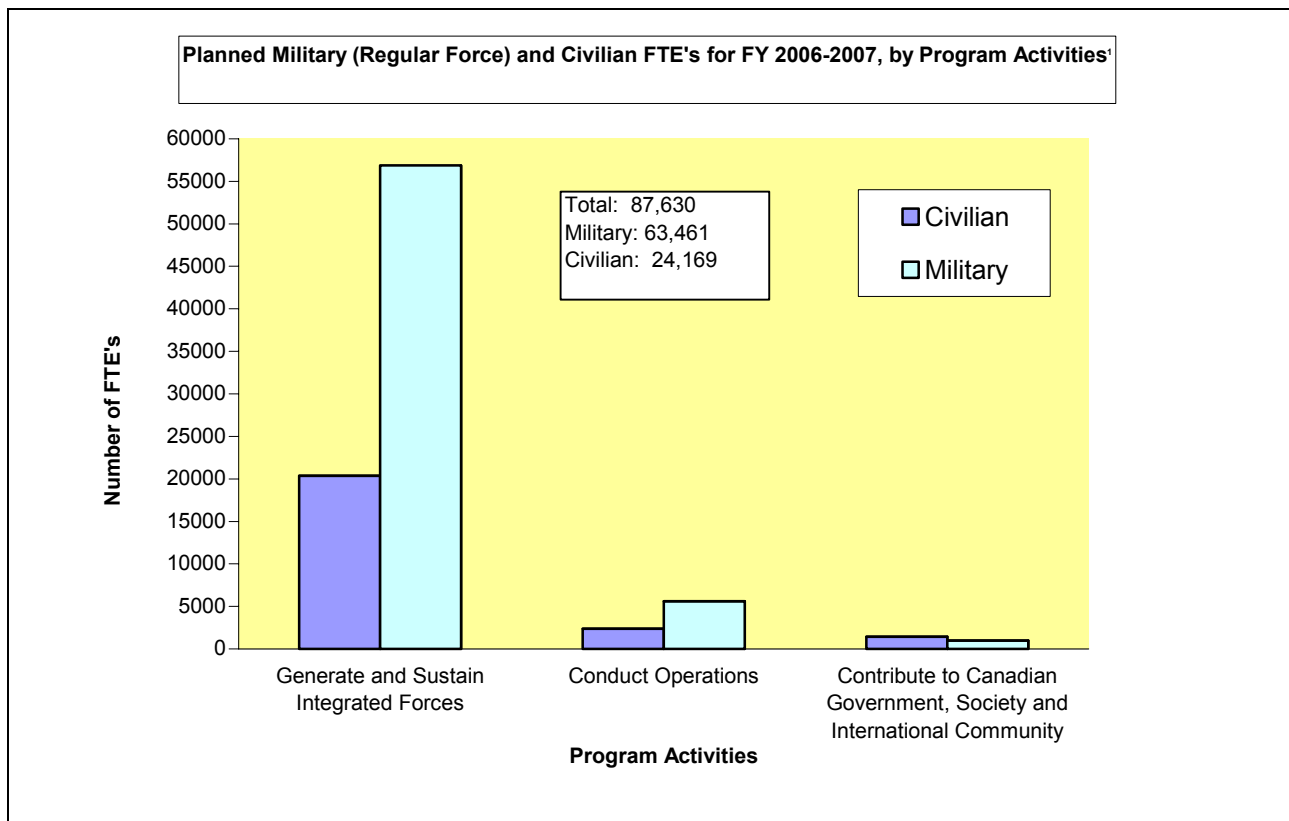
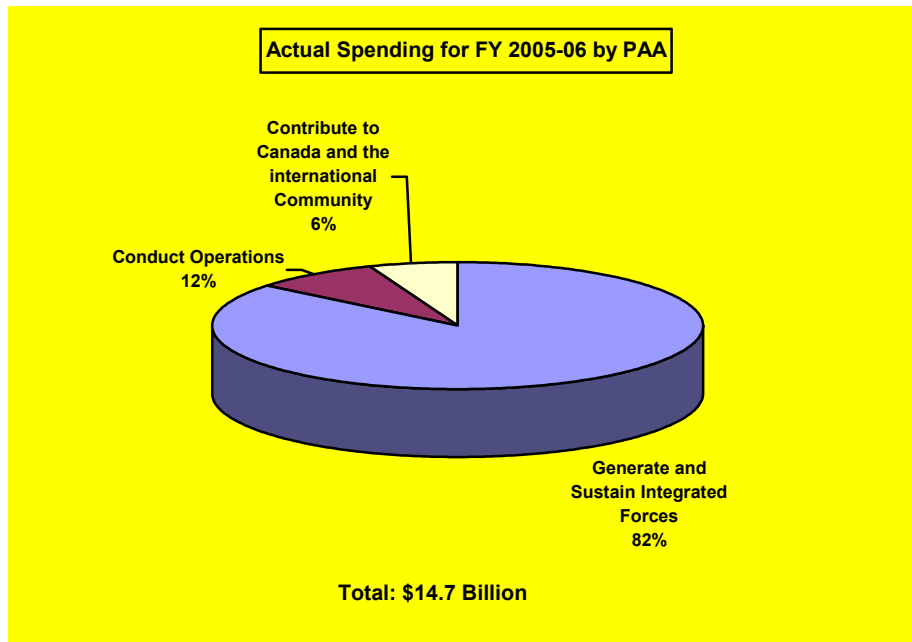
National Defence Public Affairs will continue to provide strategic direction and guidance for DND/CF communications, including the DND/CF Strategic Communications Plan, communications planning for corporate documents and memorandum to Cabinet, internal and external communications of contingency planning for domestic crisis and natural disasters. Defence Public Affairs will work closely with other government departments and agencies in its day-to-day operations, to manage specific issues and crises to ensure the Canadian public receives comprehensive and timely information on CF operations at home and abroad.



Section 3: Financial and Departmental Overview



Departmental Resource Consumption



Note: These FTE numbers are derived from a representative financial formula as there is not a consistent 1:1 relationship between FTEs and programs.

**Table 1: Departmental Planned Spending and Full Time Equivalent**

(\$ Thousands)	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces	11,397,356	12,282,381	12,968,782	13,928,358
Conduct Operations	1,339,937	1,731,310	1,388,535	1,380,227
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values	1,088,727	1,144,233	1,160,705	1,197,573
Budgetary Main Estimates (gross)	\$13,826,020	\$15,157,925	\$15,518,022	\$16,506,157
Less: Respendable revenue	(400,989)	(368,703)	(373,886)	(375,531)
Total Main Estimates	\$ 13,425,031	\$14,789,222	\$15,144,136	\$16,130,626
Adjustments				
To 2005-06 Through Governor General Special Warrants	1,246,468			
To 2005-06 For Actual Statutory Expenditures	35,737			
To 2005-06 From Treasury Board Vote 5 Contingency Funding	793			
To 2005-06 For Funding Lapsed at Year-End	(25,686)			
Adjustments:				
To Planned Spending Levels				
Extended mission deployment in Afghanistan		91,000	440,000	484,000
Civilian Pay Raises		17,441	13,315	9,499
Earthquake disaster relief in Pakistan - Op PLATEAU		9,631		
Obtaining Secure Radios for On-Water Response Teams - Marine Security		7,700		
Recruitment Advertising		7,500		
Hurricane disaster relief in the United States of America - Op UNISON		6,678		
Military Pay Raises		6,463	6,463	6,463
Reinvestment of the proceeds from the sale of real property		3,589		
Marine Information Management Data Exchange (MIMDEX)		2,500	1,500	
Public Security Technical Program (PSTP)		2,870	3,337	3,337
Pension Administration		1,774	1,691	
Strengthening High Frequency Surface Wave Radar - Marine Security		600	600	1,400
Reinvestment of the royalties from intellectual property		9		
CRTI - Investment - Security - Budget 2001			34,920	34,920
Modifying Canadian Patrol Frigates - Marine Security			5,600	



(\$ Thousands)	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Marine Security - Budget 2001				1,100
Transfers to Other Government Departments		(4,163)		
Planned Procurement Savings		(62,310)		
Budget 2005 Announcement				
Strategic Capital Investments		25,747	366,300	1,063,796
Budget 2006 Announcement				
Canada First -Non Capital Investments		399,660	602,301	937,357
- Strategic Capital Investments		156,905	735,259	645,292
Royal Canadian Air Force Memorial Museum		1,000		
Total Adjustments	1,257,312	674,594	2,211,286	3,187,164
Net Planned Spending¹	\$14,682,343	\$15,463,816	\$17,355,422	\$19,317,790
Less: Non-Respendable revenue	(12,782)	(875)	(25,899)	(905)
Plus: Cost of services without charge	569,074	544,349	550,463	555,991
Net Cost of Program*	\$15,238,635	\$16,007,291	\$17,879,986	\$19,872,876
Full Time Equivalent	84,758	87,630	89,897	92,018

Source: Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to total shown.

Note 1: Figure for 2005 – 2006 represents actual expenditures.



Table 1a: Crosswalk of Interim Program Activity Architecture (IPAA) to Program Activity Architecture (PAA)

This table is presented for information only in the interest of continuity and comparability to previous years.

Crosswalk of Interim Program Activity Architecture (IPAA) to Program Activity Architecture (PAA) for fiscal year 2006-2007					
(\$ Thousands)	Generate and sustain relevant, responsive and effective combat capable, integrated forces	Conduct operations	Contribute to Canadian government, society and international community in accordance with Canadian interests and values	Total	
Maritime Command	671,482	20,421	45,840	737,743	
Land Force Command	1,116,663	13,232	109,800	1,239,696	
Air Command	654,121	57,817	187,486	899,424	
Operations	104,358	813,608	6,980	924,946	
Communications Security	5,964	225,051	-	231,014	
Research & Development	260,281	1,840	27,797	289,918	
Information Management	273,196	79,042	13,222	365,461	
Human Resources	5,387,242	488,275	191,073	6,066,590	
Infrastructure & Environment Programs	205,957	8,088	107,509	321,554	
Material Acquisition & Support	3,869,317	267,330	57,625	4,194,272	
Grants & Contributions not Specifically Allocated	12,511	-	180,688	193,199	
Total*	\$12,561,091	\$1,974,706	\$928,019	\$15,463,816	

Source: Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to total shown.

Note: Treasury Board has released the Management, Resources and Results Structure Policy (MRRS) requiring departments to define how they plan and manage diverse programs and related activities, allocate resources and achieve and report on results, effective April 1, 2005. A departmental MRRS is to have three elements: a Program Activity Architecture (PAA); clearly defined and measurable Strategic Outcomes; and a description of the current Governance Structure, which outlines the decision-making mechanisms, responsibilities and accountabilities of the department. An Interim Program Activity Architecture (IPAA) for the Department of National Defence was submitted pending development of a preferred architecture. The long-term solution for the PAA has been developed and will be in place for 2006-2007 onward. The crosswalk table above is illustrative of how the planned spending for 2006-2007 would have been allocated under the Interim Program Activity Architecture (IPAA).



Table 1b: Crosswalk of Planning Reporting Accountability Structure (PRAS) to Program Activity
Architecture (PAA)

This table is presented for information only in the interest of continuity and comparability to previous years.

Crosswalk of Planning Reporting Accountability Structure (PRAS) to Program Activity Architecture (PAA) for fiscal year 2006-2007				
(\$ Thousands)	Generate and sustain relevant, responsive and effective combat capable, integrated forces	Conduct operations	Contribute to Canadian government, society and international community in accordance with Canadian interests and values	Total
Command and Control	1,132,661	428,032	42,754	1,603,447
Conduct Operations	3,884,289	603,417	167,036	4,654,742
Sustain Forces	5,154,427	656,772	430,367	6,241,566
Generate Forces	2,096,109	229,354	102,657	2,428,120
Corporate Policy and Strategy	293,606	57,129	185,205	535,941
Total*	\$12,561,091	\$1,974,706	\$928,019	\$15,463,816

Source: Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to total shown.

Note: The Treasury Board has rescinded the Planning, Reporting, and Accountability Structure (PRAS) policy that determined the format under which departments reported to Parliament. The PRAS has been replaced with a new policy that will strengthen accountability and reporting by aligning and integrating information with how departments manage resources and how these resources are linked to strategic outcomes. The crosswalk table above is illustrative of how the planned spending for 2006-2007 would have been allocated under the PRAS.

Table 2: Program by Activity

		2006 - 2007							
Program Activity (\$ Thousands)	Budgetary							Total Planned Spending	
	Operating	Capital	Grants	Contributions	Gross	Revenue	Total Main Estimates		Adjustments (Planned Spending Not in Main Estimates)
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces	10,164,571	2,097,281	148	20,381	12,282,381	(154,125)	12,128,256	432,835	12,561,091
Conduct Operations	1,586,045	145,265	-	-	1,731,310	(3,229)	1,728,081	246,625	1,974,706
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values	936,761	25,285	5,335	176,852	1,144,233	(211,348)	932,885	(4,866)	928,019
Total*	\$12,687,377	\$2,267,832	\$5,483	\$197,233	\$15,157,925	(\$368,703)	\$14,789,222	\$ 674,594	\$15,463,816

Source: Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to total shown.


Table 3: Voted and Statutory Items Listed in Main Estimates

Vote or Statutory Item (\$ Thousands)		2006-2007 Main Estimates	2005-2006 Main Estimates
1	Operating expenditures	11,155,813	9,861,479
5	Capital expenditures	2,267,832	2,247,930
10	Grants and contributions	191,721	187,819
(S)	Minister of National Defence salary and motor car allowance	73	70
(S)	Payments under the Supplementary Retirement Benefits Acts	9,000	9,500
(S)	Payments under Parts I-IV of the Defence Services Pension Continuation Act (R.S., 1970 c. D-3)	1,900	2,100
(S)	Payments to dependants of certain members of the Royal Canadian Air Force killed while serving as instructors under the British Commonwealth Air Training Plan (Appropriation Act No. 4, 1968)	95	95
(S)	Contributions to employee benefit plans - Members of the Military	903,931	875,102
(S)	Contributions to employee benefit plans	258,857	240,936
	Total Department	\$14,789,222	\$13,425,031

Source: Assistant Deputy Minister (Finance and Corporate Services)

Note: The Main Estimates of 2006–2007 are \$1,364.2 million higher than the Main Estimates of 2005–2006. This increase can be explained by the following: \$500 million to address the shortfall in operating budgets (Sustainability), \$497.7 million for Pay and Allowance increases for Military and Civilian personnel, \$231 million to fund operations in Afghanistan, \$169 million to partially offset the loss of purchasing power due to price increases, \$100 million to fund the expansion of the Canadian Forces, \$37.7 million to fund the clean-up of contaminated sites, offset by a \$128 million reduction to fund the Department's share of the Expenditure Review Committee reallocations and \$43.2 million in reductions for transfers and technical adjustments.

Table 4: Services Received Without Charge

(\$ Thousands)	2006-2007
Accommodation provided by Public Works and Government Services Canada (PWGSC)	72,407
Contributions covering employer's share of employees' insurance premiums and expenditures paid by Treasury Board of Canada Secretariat (excluding revolving funds) Employer's contribution to employees' insured benefits plans and expenditures paid by TBS	459,741
Workers compensation coverage provided by Social Development Canada	9,391
Salary and associated expenditures of legal services provided by the Department of Justice Canada	2,810
2006-2007 Services received without charge*	\$544,349

Source: Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to totals shown.

**Table 5: Summary of Capital Spending by Program Activity**

(\$ Thousands)	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Defence Services Program				
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces	2,070,255	2,290,763	3,353,375	4,278,419
Conduct Operations	143,159	181,778	194,770	197,725
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values	23,987	27,069	25,619	25,653
Total *	\$2,237,401	\$2,499,609¹	\$3,573,764	\$4,501,797

Source: Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to totals shown.

Note 1: The Total Capital Spending of \$2,267,832 thousand reported on Table 2 Program by Activity equals the capital portion of the Main Estimates for fiscal year 2006-07. This capital table is showing \$2,499,609 thousand for fiscal year 2006-07. The increase of \$231,777 thousand is the adjustment from the Main Estimates to the Planned Spending figure for the extended mission deployment in Afghanistan, Marine Security Initiatives, Budget 2005 and 2006 Announcements items net of other various technical adjustments.

Table 6: Loans, Investments and Advances (Non-Budgetary)

(\$ Thousands)	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Defence Services Program				
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces				
Imprest Accounts, Standing Advances and Authorized Loans ²	3,130	(2,274)	2,325	(2,325)
Canadian Forces Housing Projects ³	(48)	-	-	-
Conduct Operations				
Imprest Accounts, Standing Advances and Authorized Loans ²	321	(390)	339	(339)
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values				
Imprest Accounts, Standing Advances and Authorized Loans ²	280	(336)	336	(336)
NATO Damage Claims ¹	29	6	6	6
Total	\$3,712	(\$2,994)	\$3,006	(\$2,994)

Source: Assistant Deputy Minister (Finance and Corporate Services)

Notes:

- Article VIII of the NATO Status of Forces Agreement signed April 4, 1949, as amended, deals with claims for damages to third parties arising from accidents in which a member of a visiting force involved. This account is charged with the amount recoverable from other states, for claims for damages amount recoverable from other states, for claims for damages that took place in Canada, and is credited with recoveries.
- This account was established for the purpose of financing: (a) public funds imprest and public funds advance accounts; (b) standing advances; (c) authorized loans and advances to employees posted abroad; and (d) authorized recoverable advances to establish military messes and canteens. The total amount authorized to be outstanding at any time is \$120,000,000 as last amended by National Defence Vote L11b, Appropriation Act No. 4, 2001–2002.
- Advances have been made to the Canada Mortgage and Housing Corporation, in respect of loans arranged by the Corporation for housing projects for occupancy by members of the Canadian Forces. The remaining loan was repaid in full during the fiscal year 2005–2006.


Table 7: Sources of Respendable and Non-Respendable Revenue

(\$ Thousands)	Actual Revenue 2005-2006	Planned Revenue 2006-2007	Planned Revenue 2007-2008	Planned Revenue 2008-2009
Respendable Revenue				
<i>Defence Services Program</i>				
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces				
Recoveries from Members	128,602	119,842	120,944	122,589
Recoveries from OGDs	4,382	3,979	4,015	4,070
Recoveries from Other Governments/UN/NATO	1,109	828	835	847
Other Recoveries	48,301	29,476	29,747	30,151
Subtotal	182,394	154,125	155,541	157,657
Conduct Operations				
Recoveries from Members	379	353	315	304
Recoveries from OGDs	43	39	35	34
Recoveries from Other Governments/UN/NATO	3,661	2,732	2,437	2,357
Other Recoveries	172	105	94	91
Subtotal	4,255	3,229	2,881	2,786
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values				
Recoveries from Members	660	615	627	626
Recoveries from OGDs	13,791	12,524	12,768	12,745
Recoveries from Other Governments/UN/NATO	261,880	195,454 ¹	199,260	198,913
Other Recoveries	4,515	2,755	2,809	2,804
Subtotal	280,846	211,348	215,464	215,088
Total Respendable Revenue	\$467,494	\$368,703	\$373,886	\$375,531
Non-Respendable Revenue				
<i>Defence Services Program</i>				
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values	12,782	875	25,899	905
Total Non-Respendable Revenue	\$12,782	\$875	\$25,899²	\$905
Total Respendable Revenue and Non-respendable Revenue*	\$480,276	\$369,578	\$399,785	\$376,436

Source: Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to total shown.

Notes:

1. This decrease in revenue is due mostly to a planned decrease in recoveries for foreign military training in Canada.
2. The FY 2007-08 estimates include \$25 million in non-respendable revenue pertaining to the negotiated payment due from Germany related to its share of the costs of any future cleanup of the training area at CFB Shilo of unexploded ordinance.

**Table 8: Cost Estimates for CF International Operations**

Operations	FY 2005-2006 (\$MILLIONS) Actuals		FY 2006-2007 (\$MILLIONS) Estimates	
	Full DND Cost	Incremental DND Cost	Full DND Cost	Incremental DND Cost
Africa				
UNAMSIL – OP REPTILE (Sierra Leone)	0.2	0.1	Closed	Closed
IMATT – OP SCULPTURE (Sierra Leone)	1.6	0.5	1.6	0.5
MONUC – OP CROCODILE (DRC)	1.2	0.4	1.2	0.4
UNAMIS – OP SAFARI (Khartoum, Sudan)	4.9	2.0	2.6	1.0
AMIS – OP AUGURAL (Addis Ababa, Ethiopia)	50.2	49.0	18.6	17.4
Sub-Total	58.1	52.0	24.0	19.3
Arabian Gulf Region and South West Asia				
OP ALTAIR (South-west Asia)	23.5	10.5	25.5	11.4
OP APOLLO (Afghanistan and Persian Gulf)	9.4	9.4	Closed	Closed
OP ATHENA – ISAF NATO (Afghanistan)	316.4	87.5	1,017.0	426.7
OP ARCHER – OEF (Afghanistan)	749.2	314.2	399.5	167.3
OP PLATEAU (Pakistan)	25.0	9.6	Closed	Closed
UNAMI – OP IOLAUS (Iraq)	0.2	0.1	0.2	0.1
Sub-Total	1,123.7	431.3	1,442.2	605.5
Americas and the Caribbean				
OP FOUNDATION (US CENTCOM Tampa)	0.8	0.5	1.0	0.5
OP UNISON (USA)	17.4	6.7	Closed	Closed
TF HAITI – OP HALO	1.8	1.8	Closed	Closed
MINUSTAH – OP HAMLET (Haiti)	0.1	0.0	0.1	0.0
Sub-Total	20.1	9.0	1.1	0.5
Europe				
OP PALLADIUM – SFOR NATO (Bosnia)	12.5	12.5	Closed	Closed
OP BRONZE – SFOR NATO (Bosnia)	1.3	0.5	1.3	0.5
OP BOREAS – EUFOR (Bosnia)	5.2	2.2	1.5	0.5
OP SEXTANT – NATO (HMCS ATHABASKAN)	15.4	7.3	33.8	16.0
OP SIRIUS (Sigonella)	0.4	0.4	Closed	Closed
Sub-Total	34.8	22.9	36.6	17.0
Middle East				
UNDOF – OP DANACA (Golan Heights)	16.0	3.2	1.0	1.0
MFO (Multinational Force & Observers) – OP CALUMET (Sinai) non-UN	3.3	0.4	3.4	0.5
UNTSO – OP JADE (Middle East)	0.9	0.1	0.9	0.1
OP PROTEUS (Jerusalem)	0.2	0.1	2.8	0.2
UNFICYP – OP SNOWGOOSE (Cyprus)	0.2	0.1	0.2	0.1
Sub-Total	20.6	3.9	8.3	1.9
Common Costs				
Others (expenses related to more than one mission)	2.2	2.2	0.0	0.0
Sub-Total	2.2	2.2	0.0	0.0
Total: Operations	\$1259.5	\$521.3	\$1512.2	\$644.2
	UN Revenue to CRF	MFO Revenue to DND	Est UN revenue to CRF	Est UN/MFO revenue to DND
Revenues/Recoveries	\$3.3	\$2.6	\$1.2	\$2.6



Departmental Capital Spending

Table 9a: Details on Project Spending — Capital Equipment Program

Projects listed in Table 9a have been identified as either: (1) projects in which the estimated expenditure exceeds the delegated approval authority granted to DND by the Treasury Board (\$30 million with *substantive cost estimates*), or (2) projects in which the risk is particularly high, regardless of the estimated amounts. All major capital equipment projects fall under the Generate and Sustain Integrated Forces program activity.

PROJECT NUMBER	PROJECT TITLE GENERATE AND SUSTAIN INTEGRATED FORCES (\$Thousands)	PHASE	CURRENT ESTIMATED TOTAL COST	Actual SPENDING TO MARCH 31, 2006	PLANNED SPENDING 2006–2007	PLANNED SPENDING 2007–2008	PLANNED SPENDING 2008–2009	Future YEARS REQUIRE- MENTS
	MARITIME EFFECTS							
1495	Canadian Patrol Frigate	Close out	8,931,400	8,928,600	2,800	0	0	0
1700	Tribal Class Update and Modernization Program	Close out	1,381,800	1,381,300	500	0	0	0
2549	Canadian Submarine Capability Life Extension	Implementation	896,772	701,700	68,000	68,000	40,000	19,072
2573	Maritime Environmental Protection Project	Implementation	54,266	43,636	2,726	710	896	6,298
2586	Frigate Life Extension	Definition	26,354	2,415	10,200	9,606	0	4,133
2640	Evolved Sea Sparrow Missiles	Implementation	503,209	421,653	61,822	6,700	3,000	10,034
2664	Advanced Electro-optic Sensor	Implementation	241,274	33,105	36,040	41,578	48,889	81,662
2673	Joint Support Ship	Definition	49,300	7,242	12,991	20,951	8,116	0
2680	Maritime Helicopters	Implementation	3,160,349	427,900	385,000	364,029	687,674	1,295,746
2796	YAG 300 Training Vessel Replacement	Implementation	70,310	26,455	23,741	13,870	1,781	4,463
	TOTAL MARITIME EFFECTS		\$15,315,034	\$11,974,006	\$603,820	\$525,444	\$790,356	\$1,421,408



PROJECT NUMBER	PROJECT TITLE GENERATE AND SUSTAIN INTEGRATED FORCES (\$Thousands)	PHASE	CURRENT ESTIMATED TOTAL COST	Actual SPENDING TO MARCH 31, 2006	PLANNED SPENDING 2006-2007	PLANNED SPENDING 2007-2008	PLANNED SPENDING 2008-2009	Future YEARS REQUIRE- MENTS
	LAND EFFECTS							
58	Wheeled Light Armoured Vehicle Life Extension	Implementation	160,521	67,296	45,034	20,752	13,648	13,791
84	Army GPS Equipment Replacement	Implementation	50,210	12,119	22,105	12,641	3,345	0
276	Intelligence, Surveillance, Target Acquisition & Reconnaissance	Definition	134,715	74,400	37,900	22,415	0	0
731	Mobile Gun System (MGS)	Definition	157,713	10,600	35,100	112,013	0	0
1070	Armoured Patrol Vehicle	Implementation	83,361	27,361	43,452	0	0	12,548
1436	Low Level Air Defence Modernization	Implementation	1,090,678	1,069,831	16,777	2,388	0	1,682
2058	Weapons Effect Simulator	Implementation	126,022	73,805	45,795	6,098	324	0
2346	Medium Support Vehicle System	Definition	25,798	0	11,986	13,812	0	0
2349	Light Utility Vehicle Wheeled	Implementation	297,400	242,400	53,800	1,200	0	0
2536	Role Three Health Support	Implementation	40,007	39,562	445	0	0	0
2637	Armoured Personnel Carriers	Implementation	2,321,350	2,027,200	129,800	84,415	61,168	18,767
2652	Multi Mission Effects Vehicle	Definition	93,990	710	26,890	66,390	0	0
2684	Improved Landmine Detection System	Close out	33,749	31,160	2,589	0	0	0
2731	Armoured Personnel Carriers Life Extension	Implementation	345,460	309,507	35,953	0	0	0
	TOTAL LAND EFFECTS		\$4,960,974	\$3,985,951	\$507,626	\$342,124	\$78,485	\$46,788



PROJECT NUMBER	PROJECT TITLE GENERATE AND SUSTAIN INTEGRATED FORCES (\$Thousands)	PHASE	CURRENT ESTIMATED TOTAL COST	Actual SPENDING TO MARCH 31, 2006	PLANNED SPENDING 2006-2007	PLANNED SPENDING 2007-2008	PLANNED SPENDING 2008-2009	Future YEARS REQUIRE- MENTS
	AIR EFFECTS							
86	Operational Flight Program	Implementation	111,521	30,234	16,424	23,679	12,122	29,062
113	Advanced Distributed Combat Training System	Implementation	187,742	136,175	24,160	18,032	8,688	687
180	CF-18 Multi-purpose Display Group Project	Implementation	98,750	61,617	91	37,042	0	0
273	CF-18 Advanced Multi-role Infrared Sensor	Implementation	186,059	243	44,650	85,112	37,131	18,924
295	Aurora Communication Management System Replacement	Implementation	89,745	54,586	13,183	12,718	7,716	1,542
317	Aurora Electro-optical System Replacement	Close out	50,207	44,141	4,124	1,942	0	0
410	Aurora - Flight Deck Simulator	Close out	40,566	30,090	8,477	1,999	0	0
423	Aurora - Electronic Support Measures Replacements	Implementation	177,208	90,483	28,555	23,562	23,296	11,312
428	Aurora - Imaging Radar Acquisition	Implementation	255,120	107,764	28,867	46,497	37,480	34,512
451	Primrose Lake Evaluation Range TSPI System	Implementation	42,333	13,676	14,010	6,482	8,165	0
536	Aurora - Operator Mission Simulator	Implementation	44,633	5,921	1,292	3,450	9,592	24,378
583	CF18 - Engineering Change Proposal 583	Implementation	987,309	798,534	31,657	93,540	32,634	30,944
609	Fixed Wing Search and Rescue Project	Pre-definition	8,200	5,900	2,300	0	0	0
1007	Medium-to-Heavy Lift Helicopters	Definition	8,489	0	8,489	0	0	0



PROJECT NUMBER	PROJECT TITLE GENERATE AND SUSTAIN INTEGRATED FORCES (\$Thousands)	PHASE	CURRENT ESTIMATED TOTAL COST	Actual SPENDING TO MARCH 31, 2006	PLANNED SPENDING 2006-2007	PLANNED SPENDING 2007-2008	PLANNED SPENDING 2008-2009	Future YEARS REQUIRE- MENTS
1117	Airlift Capability Project - Strategic	Implementation	1,807,355	0	132,336	731,804	645,292	297,923
1036	Airlift Capability Project (Tactical)	Definition	11,834	0	5,272	6,562	0	0
1686	CF18 - Advanced Air to Air Weapon - Short Range	Implementation	36,200	20,784	88	6,794	8,534	0
2320	Military Automated Air Traffic System	Implementation	168,600	145,704	8,433	4,118	5,578	4,767
2371	Advanced Navigation and Precision Approach	Implementation	97,737	58,328	18,809	14,509	6,091	0
2517	Canadian Forces Utility Tactical Transport Helicopters	Implementation	1,093,152	1,070,543	11,523	11,086	0	0
2526	Region/Sector Air Operation Centre	Implementation	134,478	122,032	7,374	5,072	0	0
2619	Air Combat Manoeuvring Instrumentation System	Implementation	33,237	30,867	1,296	1,074	0	0
2657	CC150 Strategic Air-to-Air refuelling (SAAR)	Implementation	132,112	93,002	39,110	0	0	0
2678	Canadian Search and Rescue Helicopter	Close out	774,422	760,536	13,886	0	0	0
2754	CF-18 Advanced Medium Range Air-to-Air Missile	Implementation	138,489	66,632	6,854	10,909	9,124	44,970
5832	CF18 - Engineering Change Proposal - Phase 2	Implementation	423,281	52,610	83,444	107,858	73,636	105,733
	TOTAL AIR EFFECTS		\$7,138,779	\$3,800,402	\$554,704	\$1,253,841	\$925,079	\$604,754
	JOINT UNIFIED AND SPECIAL OPERATIONS							
224	Defence Information Broker	Implementation	37,430	7,975	29,455	0	0	0
283	National Military Support Capability	Implementation	567,889	3,143	3,362	26,180	9,900	525,304



PROJECT NUMBER	PROJECT TITLE GENERATE AND SUSTAIN INTEGRATED FORCES (\$Thousands)	PHASE	CURRENT ESTIMATED TOTAL COST	Actual SPENDING TO MARCH 31, 2006	PLANNED SPENDING 2006-2007	PLANNED SPENDING 2007-2008	PLANNED SPENDING 2008-2009	Future YEARS REQUIRE- MENTS
402	Canadian Forces Joint Experimentation	Implementation	31,591	4,625	500	18,778	7,688	0
439	Allied Vaccine Development Project	Implementation	31,684	19,567	0	666	673	10,778
625	Polar Epsilon Joint Space-Based Wide Area Surveillance and Support	Implementation	49,252	1,534	12,036	14,022	16,184	5,476
2272	Matériel Acquisition and Support Information System	Implementation	182,300	176,800	5,500	0	0	0
2400	Defence Integrated Human Resource System	Implementation	94,565	70,612	10,500	13,453	0	0
2469	Canadian Forces Command System I (CFCS)	Close out	65,947	57,911	0	0	0	8,036
2475	Defence Message Handling System	Implementation	135,239	122,393	820	0	0	12,026
2783	Identification Friend or Foe Mode S/S	Implementation	38,176	391	740	6,085	6,331	24,629
2800	Canadian Forces Health Information System	Implementation	51,606	15,145	14,276	0	0	22,185
2803	Protected Military Satellite Communication	Implementation	551,972	307,400	55,700	52,858	34,720	101,294
XXXX	Clothe The Soldier Omnibus Project	Implementation	246,254	166,149	61,828	16,510	0	1,767
	TOTAL JOINT UNIFIED AND SPECIAL OPERATIONS		\$2,083,905	\$953,645	\$194,717	\$148,552	\$75,496	\$711,495
	TOTAL PROGRAM ACTIVITIES		\$29,498,691	\$20,714,003	\$1,860,867	\$2,269,961	\$1,869,416	\$2,784,444

Source: Assistant Deputy Minister – Materiel



Table 11: Summary of Transfer Payments Programs

Over the next three years, National Defence will manage the following transfer payment programs in excess of \$5 million.

TABLE 11 DETAILS ON TRANSFER PAYMENT PROGRAMS					
Description	Type	Actual Spending 05/06	Planned Spending 06/07	Planned Spending 07/08	Planned Spending 08/09
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces					
Supplementary Retirement Benefit Act (SRBA) Payments	STATUTORIES	\$7,391,510	\$9,000,000	\$9,000,000	\$9,000,000
CONTRIBUTIONS IN SUPPORT OF THE CAPITAL ASSISTANCE PROGRAM (CAP)	CONTRIBUTIONS	\$0	\$5,450,000	\$5,450,000	\$5,450,000
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interest and Values					
Contribution Program for the Promotion of the Defence Diplomacy Objectives Implemented by the Military Training Assistance Programme	CONTRIBUTIONS	9,304,733	10,000,000	10,000,000	10,000,000
NATO Airborne Early Warning Mid Term Modernization Program	CONTRIBUTIONS	68,893,152	62,388,000	59,285,000	52,299,000
NATO Military Budget	CONTRIBUTIONS	47,295,946	44,698,000	49,375,000	54,804,000
NATO Security Investment Program	CONTRIBUTIONS	43,166,460	52,110,000	56,110,000	60,110,000
Subtotal Transfer Payments over \$5 million		\$176,051,800	\$183,646,000	\$189,220,000	\$191,663,000
Total Transfer Payment		\$197,457,613	\$202,716,212	\$210,931,274	\$213,447,669
Percentage of Transfer Payment over \$5 million		89.2%	90.6%	89.7%	89.8%
Total Spending per PAA		Actual Spending per PAA 05/06	Planned Spending per PAA 06/07	Planned Spending per PAA 07/08	Planned Spending per PAA 08/09
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces		15,120,274	20,528,530	23,104,450	23,182,650
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interest and Values		182,337,339	182,187,682	187,826,824	190,265,019
Total		\$197,457,613	\$202,716,212	\$210,931,274	\$213,447,669

Further information on these projects can be found at:

http://www.vcds.forces.ca/dgsp/00native/rep-pub/ddm/rpp/rpp06-07/transpay_e.pdf



Table 12: Alternative Service Delivery

Over the next three years, National Defence will use new and proposed ASD initiatives for the following programs and /or services.

1. Contracted Airborne Training Services
2. Wheeled Light Armoured Vehicle (WLAV) Life Cycle Support Project
3. Canadian Forces Station Alert Modernization Project
4. 202 Workshop Depot
5. DND/Montfort Hospital Collaborative Arrangement
6. Information Management Services Transformation Project

Further information on these ASD initiatives can be found at:

http://www.vcds.forces.ca/dgsp/00native/rep-pub/ddm/rpp/rpp06-07/asd_e.pdf

Table 13: Audits and Evaluations

A list of upcoming internal audits and /or evaluations can be found at:

http://www.vcds.forces.ca/dgsp/00native/rep-pub/ddm/rpp/rpp06-07/aud_e.pdf



Table 14: Sustainable Development Strategies

The following table includes some commitments made by National Defence to green its operations. At a government-wide level, these activities are co-ordinated by the Office of Greening Government Operations (OGGO) at PWGSC, which includes work toward common governance, measurement, and reporting methods across departments.

National Defence Points to Address	Departmental Input
1. How does your department / agency plan to incorporate Sustainable Development (SD) principles and values into your mission, vision, policy and day-to-day operations?	Defence has integrated sustainable development principles and values into its mission, vision, policy and day-to-day operations through an environmental protection and stewardship policy, through awareness briefings at all levels, through a network of environmental specialists working throughout the department and through specialised Unit Environmental Officer training that is provided to military personnel that work in Canada and overseas on deployed operations. Defence also has an advanced environmental assessment capability integrated throughout the department.



National Defence	
Points to Address	Departmental Input
<p>2. What Goals, Objectives and Targets from your most recent Sustainable Development Strategy (SDS) will you be focusing on this coming year? How will you measure your success?</p>	<p>Defence focuses on all the Goals, Objectives and Targets in its SDS. Success is measured against detailed target reporting criteria and templates that were provided when the SDS was created.</p> <p>The key goals are to:</p> <ul style="list-style-type: none"> • protect the health of ecosystems through the sustainable use of training areas; • protect human health and the environment through responsible management of hazardous materials by: <ul style="list-style-type: none"> o reducing the quantity of disposable waste fuel; o reducing the impact of releases of select National Pollutant Release Inventory substances; o reducing contaminated sites liability; and o reducing the liability associated with petroleum fuel storage infrastructure and distribution assets, in general, and aviation fuel in particular; • protect the atmosphere through reduction in the Ozone Depleting Potential of in-service systems and equipment using halocarbons and reduce Green House Gas emissions; and • integrate environmental considerations fully into Defence management processes, systems and activities through integration of sustainable buildings concepts into the design process, and promulgate a Defence Green Procurement policy.
<p>3. Identify any SD tools, such as Strategic Environmental Assessments or Environmental Management Systems that will be applied over the next year.</p>	<p>Defence updates its SDS on a three-year cycle and so tends to use a three-year planning timeframe rather than an annual one. Defence uses Environmental Assessments, Environmental Management Systems, integrated land use planning for Defence training areas, and is developing a toolbox of physical and remote sensing indicators for sustainability in Defence training areas. In addition, Defence uses a series of training courses to develop awareness and the necessary skill sets to implement sustainable development concepts.</p>

**Planned Full Time Equivalent****Table 15: Personnel Requirements – Military (Regular Force) by PAA¹**

PROGRAM ACTIVITY	ACTUAL FTEs 2005-2006	PLANNED FTEs 2006-2007	PLANNED FTEs 2007-2008	PLANNED FTEs 2008-2009
Generate and sustain relevant, responsive and effective combat capable, integrated forces ²	55,202	56,890	57,948	58,801
Conduct Operations ²	5,600	5,600	5,600	5,600
Contribute to Canadian government, society and international community in accordance with Canadian interests and values ²	938	971	971	971
TOTAL	61,740	63,461	64,519	65,372

Source: Chief Military Personnel (CMP) (Formerly Assistant Deputy Minister (Human Resources – Military))

1. Planned FTEs reflect the Regular Force Expansion of 5,000 announced in Budget 2005 and include Class C Reserves. The table above does not factor in the additional personnel announced in Budget 2006 since planning details for this additional expansion have not been finalized.

2. These FTE numbers are derived from a representative financial formula as there is not a consistent 1:1 relationship between FTEs and programs.

Table 16: Personnel Requirements – Civilian by PAA¹

PROGRAM ACTIVITY	ACTUAL FTEs 2005-2006	PLANNED FTEs 2006-2007	PLANNED FTEs 2007-2008	PLANNED FTEs 2008-2009
Generate and sustain relevant, responsive and effective combat capable, integrated forces ²	19,399	20,370	21,388	22,458
Conduct Operations ²	2,243	2,355	2,473	2,596
Contribute to Canadian government, society and international community in accordance with Canadian interests and values ²	1,376	1,444	1,517	1,592
TOTAL	23,018	24,169	25,378	26,646

Source: Assistant Deputy Minister (Human Resources - Civilian) - extracted from incumbent files from the PWGSC On-Line pay system.

1. Includes interim Communications Security Establishment (CSE) FTE's pending review by CSE. Interim CSE FTE's are based on RPP 2005-2006 planned FTE for fiscal year 2005-2006, and increased by 5% for every subsequent year.

2. These FTE numbers are derived from a representative financial formula as there is not a consistent 1:1 relationship between FTEs and programs.

Table 17: Personnel Requirements – Combined Military and Civilian by PAA

PROGRAM ACTIVITY	ACTUAL FTE 2005-2006	PLANNED FTE 2006-2007	PLANNED FTE 2007-2008	PLANNED FTE 2008-2009
Generate and sustain relevant, responsive and effective combat capable, integrated forces ¹	74,601	77,260	79,336	81,259
Conduct Operations ¹	7,843	7,955	8,073	8,196
Contribute to Canadian government, society and international community in accordance with Canadian interests and values ¹	2,314	2,415	2,488	2,563
TOTAL	84,758	87,630	89,897	92,018

Source: Chief Military Personnel and Assistant Deputy Minister (Human Resources - Civilian)

1. These FTE numbers are derived from a representative financial formula as there is not a consistent 1:1 relationship between FTEs and programs.



Section 4: Financial Tables on Selected Defence Portfolio Organizations

Table 1: Reserve Force

Primary Reserve Full Cost Estimate

The Primary Reserve accounts for 7.4% of the total Defence Services Program. The expenditures are divided into four categories: direct, indirect, attributed and capital costs. This method of reporting is intended to provide greater clarity on the make-up of the total costs of the Primary Reserve.

Direct expenditures include funds specifically budgeted for the Primary Reserve such as pay, travel and goods and services which are locally procured.

Indirect expenditures reflect the Primary Reserve share of departmental resources, which are controlled centrally. Included are ammunition, equipment operating costs, clothing and the cost of maintaining facilities such as armouries.

Attributed expenditures are departmental overhead costs, which are allocated for reporting purposes to all activities including the Primary Reserve. In reality, these costs do not vary directly as a function of activity and would largely be incurred whether the Primary Reserve existed or not.

Capital expenditures are shown for the year in which payments have been made, and do not reflect an amortization of cost over the life of the asset. The capital expenditures can vary significantly from one year to the next, depending on priorities established within the capital equipment plan and the cash flow requirements of individual projects.

Primary Reserve Planned Expenditures

Type of Expenditure (\$Thousands)	Actual Expenditures 2005-2006	Planned Expenditures 2006-2007
Direct Expenditures		
Pay ¹	538,570	529,572
Regular Support Staff	138,140	137,296
Operating	82,757	79,118
Subtotal ²	759,467	745,986
Indirect Expenditures		
Ammunition	17,277	29,848
Equipment Usage	64,799	66,973
Clothing	12,625	12,561
Facility Operating	29,166	29,497
Subtotal	123,867	138,879
Attributed Expenditures		
Base Support	191,294	193,876
Training	7,853	8,112
Subtotal	199,147	201,988
Subtotal Primary Reserve		
Operating Costs	1,082,481	1,086,852
Capital Expenditures		
Dedicated Capital	18,408	21,942
Shared Capital	58,094	36,975
Subtotal	76,502	58,917
Total Primary Reserve Costs	\$1,158,983	\$1,145,769

Source: Vice Chief of the Defence Staff and Assistant Deputy Minister (Finance – Corporate Services)

1. Planned expenditures for pay in 2006-07 does not include anticipated requirements for support to deploy operations. These expenditures totalled approximately \$3.5 million in 2005-06. Planned spending for pay in 2006-07 may increase as the expansion of the Reserve Force progresses and the number of Reserve Force personnel required to backfill Regular Force positions on a temporary basis is confirmed.
2. Direct pay and operating amounts do not reflect forecasted/planned spending involving members of the Canadian Rangers, the Cadet Instructors Cadre or the Supplementary Reserve sub-components. They do however include the cost of employing Primary Reservists in positions that would normally be occupied by the Regular Force.

**Table 2: Communications Security Establishment**

Resources - Financial (\$ 000's) by Fiscal Year				
	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Vote 1 - Salary and Personnel	117,824	114,378	114,193	114,193
Vote 1 - Operating and Maintenance	62,973	71,381	58,136	58,520
Sub-total Vote 1	\$180,797	\$185,759	\$172,329	\$172,713
Vote 5 - Capital	29,963	39,977	37,958	38,527
Grand total¹	\$210,760	\$225,736	\$210,287	\$211,240

Source: Communications Security Establishment and Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to totals shown.

Note:

1. Variation of the Grand total between 05-06 and 06-07 is explained by a carry forward of \$7.7M for activities related to Support for Lawful Access. Also, renewal of Public Security and Anti-Terrorism-Critical Infrastructure Program (PSAT-CIP) starting in 07-08 for \$8.2M is pending approval by Treasury Board.

Table 3: Office of the Judge Advocate General

Resources - Financial (\$ 000's) by Fiscal Year				
	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Vote 1 - Salary and Personnel ¹	4,494	5,516	5,523	5,530
Vote 1 - Operating and Maintenance ¹	2,475	2,946	2,951	3,138
Sub-total Vote 1	\$6,969	\$8,462	\$8,474	\$8,668
Vote 5 - Capital	-	153	153	153
Grand total	\$6,969	\$8,615	\$8,627	\$8,821
Corporate Account				
Vote 1 - Crown Liabilities	215	222	225	229
Grand Total	\$7,184	\$8,837	\$8,852	\$9,050

Source: Office of the Judge Advocate General and Assistant Deputy Minister (Finance and Corporate Services)

Note:

1. Vote 1 – Salary and Personnel & Vote 1 – Operating and Maintenance: Actual Spending is lower than Planned Spending as a result of vacant positions during FY 2005/2006. Planned Spending are based on operating with positions being fully staffed.

Table 4: Office of the Ombudsman for the Department of National Defence and the CF

Resources - Financial (\$ 000's) by Fiscal Year				
	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Vote 1 - Salary and Personnel	3,388	3,765	3,765	3,765
Vote 1 - Operating and Maintenance	1,998	2,565	2,603	2,643
Sub-total Vote 1	\$5,386	\$6,330	\$6,368	\$6,408
Vote 5 - Capital	54	187	190	192
Grand total	\$5,440	\$6,517	\$6,558	\$6,600

Source: Office of the Ombudsman for National Defence and the Canadian Forces and Assistant Deputy Minister (Finance and Corporate Services)

Table 5: Defence Research and Development Canada

Resources - Financial (\$ 000's) by Fiscal Year				
	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Vote 1 - Salary and Personnel	102,139	96,869	95,998	96,998
Sub-total Vote 1 Salary and Personnel	102,139	96,869	95,998	96,998
Vote 1 - Operating and Maintenance	35,306	36,344	36,670	36,670
Vote 1 - Research & Development Contracts	90,964	92,245	83,705	86,094
Vote 1 - Environment	1,488	2,000	2,000	2,000
Vote 1 - Canadian Centre for Mine Action Technologies (CCMAT)	2,399	1,000		
Vote 1 - Chemical, Biological, Radiological and Nuclear (CBRN) Research and Technology Initiative (CRTI) ¹ .	29,158	35,180	10,500	7,000
Vote 1 - Revenue	(4,687)	(3,500)	(3,500)	(3,500)
Sub-total Vote 1 Operating and Maintenance	154,628	163,269	129,375	128,264
Total Vote 1²	\$ 256,767	\$ 260,138	\$ 225,373	\$ 225,262
Vote 5 - Capital	13,216	6,981	7,490	7,650
Vote 5 - Counter-Terrorism Technology Centre (CTTC)	5,300	2,500		
Vote 5 - Chemical, Biological, Radiological and Nuclear (CBRN) Research and Technology Initiative (CRTI)	2,501	3,000		
Total Vote 5	21,017	12,481	7,490	7,650
Grand total	\$277,784	\$272,619	\$232,863	\$232,912

Source: Defence Research and Development Canada and Assistant Deputy Minister (Finance and Corporate Services)

*Due to rounding, figures may not add up to totals shown

Notes:

1. Vote 1 - CRTI starting fiscal year 2007–2008 are reprofiled amounts as Treasury Board Submission for new CRTI funding from fiscal year 2007–2008 onwards is in progress.
2. Vote 1 - Overall decrease starting in fiscal year 2007–2008 and on-going is largely the result of Expenditure Review Committee reductions.

**Table 6: National Search and Rescue Secretariat****Resource Overview**

The following tables reflect the federal partners' forecasts of the financial and personnel resources allocated to the National SAR Program. These resources are included in individual departmental RPPs and are presented here as collective resource information for the horizontal National SAR Program.

Table 6a: Resources - Financial (\$ 000's) by Fiscal Year

(\$ Thousands)	Actual Spending 2005-2006	Planned Spending 2006-2007	Planned Spending 2007-2008	Planned Spending 2008-2009
Vote 1 - Salary and Personnel	1,227	1,567	1,567	1,567
Vote 1 - Operating and Maintenance	876	1,052	1,058	1,101
Sub-total Vote 1	\$2,103	\$2,619	\$2,625	\$2,668
Vote 5 - Capital ¹	104	993	2,348	3,360
Vote 10 - Grants and Contributions ²	3,665	3,518	4,215	4,215
Grand total	\$5,872	\$7,130	\$9,188	\$10,243

Source: National Search and Rescue Secretariat and Assistant Deputy Minister (Finance and Corporate Services)

Notes:

- Vote 5 includes \$95K for National Search and Rescue Secretariat (NSS) Minor Capital plus funding for Search and Rescue New Initiatives Fund (SAR NIF) projects.
The above figures are net of transfers to other government departments and to other Department of National Defence organizations for SAR NIF projects: \$7,048K for FY 2006-07, \$1,847K for FY 2007-08 and \$836K for FY 2008-09.
- Vote 10 includes \$215K contribution as Canada's share of the costs for the COSPAS-SARSAT (Cosmicheskaya Sistyema Poiska Avaryinich Sudov – Search and Rescue Satellite-Aided Tracking) Secretariat plus SAR NIF projects.

Table 6b: Search and Rescue (SAR) Personnel Requirements (FTEs)

	Actual 2005-2006	Planned 2006-2007	Planned 2007-2008	Planned 2008-2009
National Search and Rescue Secretariat	20	23	23	23
Environment Canada - Meteorological Service of Canada	17	17	17	17
Parks Canada	64	64	64	64
Department of Fisheries and Oceans – Canadian Coast Guard ¹	N/A	N/A	N/A	N/A
Department of National Defence – Canadian Forces	699	706	706	706
RCMP ²	N/A	N/A	N/A	N/A
Transport Canada ³	U/R	U/R	U/R	U/R

Source: National Search and Rescue Secretariat

Notes:

- FTE figures for the Canadian Coast Guard were not available because CCG operations involve multi-tasking.
- The RCMP is unable to provide exact costs as it relates to personnel requirements due to the fact that personnel are tasked with a wide variety of duties one of which is SAR. The SAR expenditures nationally would be substantial.
- TC has no mandate for primary SAR response and does not identify or dedicate resources to these activities. The level of personnel commitment to SAR prevention work is under review.

Table 6c: Costs by participating department/organization

(\$ Thousands)	Actual Spending 2005–2006	Planned Spending 2006–2007	Planned Spending 2007–2008	Planned Spending 2008–2009
National Search and Rescue Secretariat	5,872	9,478	10,188	10,870
Environment Canada - Meteorological Service of Canada	2,100	2,100	2,100	2,100
Parks Canada	5,959	4,929	4,929	4,929
Department of Fisheries and Oceans – Canadian Coast Guard	104,131	93,460	93,460	U/R
Department of National Defence – Canadian Forces ¹	110,876	87,931	105,269	U/R
RCMP ²	N/A	N/A	N/A	N/A
Transport Canada ³	U/R	U/R	U/R	U/R
Total	\$228,938	\$197,898	\$215,946	\$17,899

Source: National Search and Rescue Secretariat

Notes:

1. The decrease in the estimate from 2005-06 to 2006-07 is mainly due to the SARSAT Project and the Canadian Search and Rescue Helicopter (CSH) Project being closed. Increases in the estimates in 2007-08 are due to the Fixed Wing Search and Rescue Aircraft (FWSAR) project.
2. As the resource allocations for SAR are provided under provincial auspices no figures are available for RCMP federal SAR activity. The RCMP supports other departments with multi-tasked assets when required.
3. TC has no mandate for primary SAR response and does not identify or dedicate resources to these activities. The level of financial commitment to SAR prevention work is under review. (U/R).



Section 5: Additional Information

Appendix A: Legislation and Regulations Administered

The Minister of National Defence is responsible to Parliament for many statutes, and is assigned relevant responsibilities in the administration of many laws and regulations. The comprehensive list is available at:

http://www.vcds.forces.ca/dgsp/00native/rep-pub/ddm/rpp/rpp06-07/appA_e.pdf

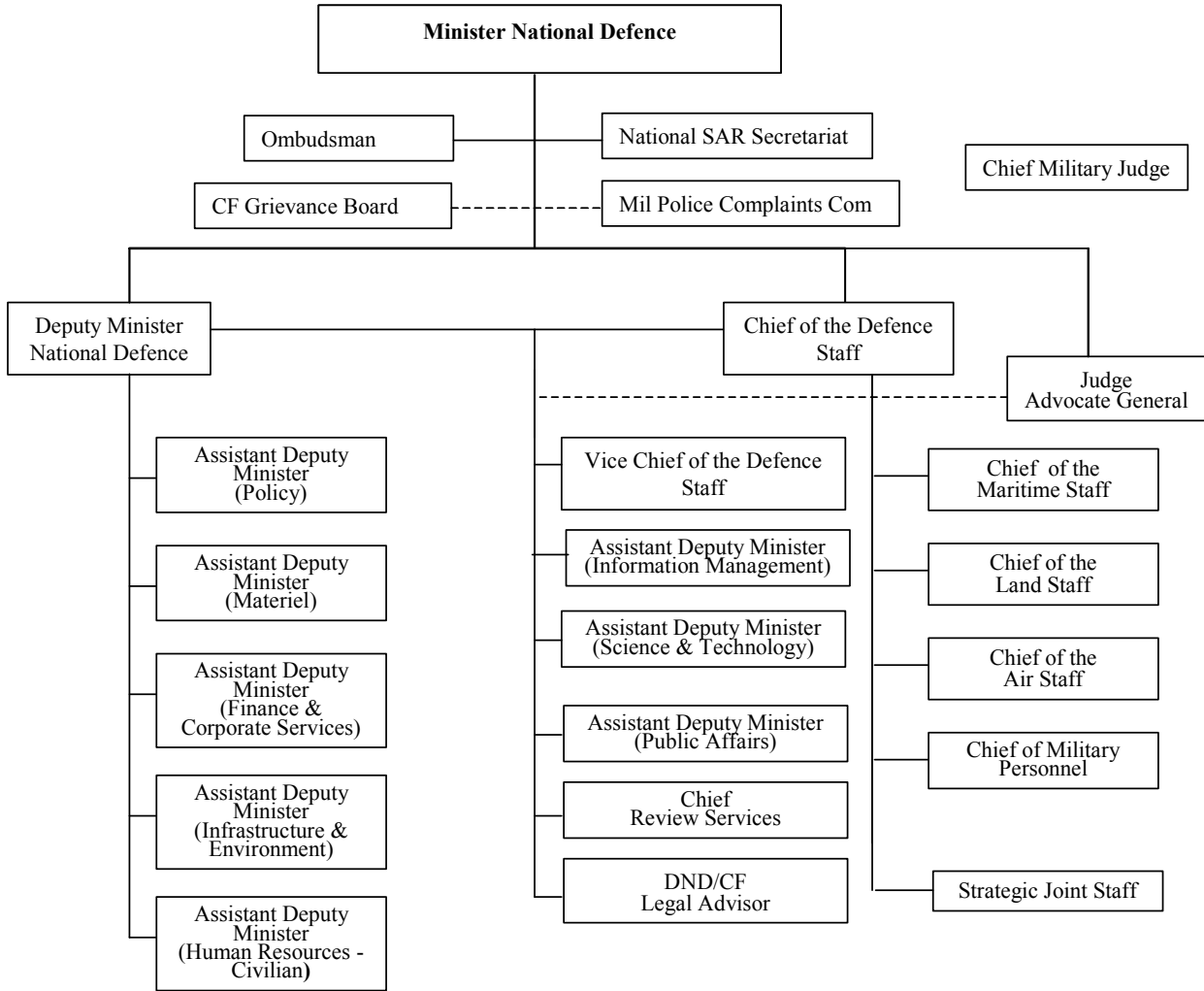
Appendix B: Key Partners and Stakeholders

DND and the CF work with many partners in Canada and abroad that help support the Defence mission, programs and activities. The broad scope of the Defence mandate is reflected in the complexity and diversity of its partners and stakeholders. To view the comprehensive list of Defence partners and stakeholders, visit:

http://www.vcds.forces.ca/dgsp/00native/rep-pub/ddm/rpp/rpp06-07/appB_e.pdf



Appendix C: Organization Chart of NDHQ



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Internet sites on the World Wide Web

Department of National Defence	http://www.forces.gc.ca
Office of the Judge Advocate General	http://www.forces.gc.ca/jag/main_e.asp
Office of the Ombudsman for National Defence and the Canadian Forces	http://www.ombudsman.forces.gc.ca/
National Search and Rescue Secretariat	http://www.nss.gc.ca/
Defence Research & Development Canada	http://www.drdc-rddc.gc.ca
Communications Security Establishment	http://www.cse-cst.gc.ca/
Defence Planning and Management	http://www.vcds.dnd.ca/dgsp/pubs/dp_m/management_e.asp
Defence Plan On-Line	http://www.vcds.forces.gc.ca/DPOnline/main_e.asp



Acronyms

A

ADR	Alternative Dispute Resolution
AOR	Area of Operational Responsibility
ASD	Alternative Service Delivery
ASR	Army Support Restructure
AWACS	Airborne Early Warning System (NATO)

C

C2	Command and Control
C4ISR	Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance
CANOSCOM	Canadian Operational Support Command
CANSOFCOM	Canadian Special Operations Forces Command
CBP	Capability-Based Planning
CBRN	Chemical, Biological, Radiological and Nuclear
CDS	Chief of the Defence Staff
CEFCOM	Canadian Expeditionary Force Command
CF	Canadian Forces
CF H Svcs Gp	CF Health Services Group
CFSS	Canadian Forces Supply System
CIDA	Canadian International Development Agency
CIS	Communication and Information System
CMTC	Canadian Manoeuvre Training Centre
COSPAS-SARSAT	Cosmicheskaya Sistyema Poiska Avariynich Sudov – Search and Rescue Satellite-Aided Tracking
CRS	Chief Review Services
CSE	Communications Security Establishment
CTTC	Counter-Terrorism Technology Centre

D

DCP	Defence Capabilities Plan
DEP	Defence Ethics Program
DFAIT	Department of Foreign Affairs and International Trade
DM	Deputy Minister
DND	Department of National Defence
DRDC	Defence Research and Development Canada

E

EE	Employment Equity
EPA	Effective Project Approval
ERP	Enterprise Resource Planning

F

FMF	Fleet maintenance Facility
FOC	Full Operational Capability
FTE	Full Time Equivalent

G

GL	General Labour and Trades Group
GSAR	Ground Search and Rescue

H

HMCS	Her Majesty's Canadian Ship
HR	Human Resources

I

ICSAR	Interdepartmental Committee on Search and Rescue
IM	Information Management
IOC	Initial Operational Capability
IRM	Integrated Risk Management
IS	Information System
ISR	Intelligence, Surveillance and Reconnaissance
IT	Information Technology
ITI	IT Infrastructure

J

JAG	Judge Advocate General
JFC	Joint Fusion Capability
JTF2	Joint Task Force 2

L

LFC	Land Force Command
LFRR	Land Force Reserve Restructure

M

M	Million
MARCOM	Maritime Command
MASIS	Material Acquisition and Support Information Management System
MH	Maritime Helicopter
MRP	Managed Readiness Plan
MRRS	Management, Resources and Results Structure

N

NATO	North Atlantic Treaty Organization
NBCD	Nuclear, Biological and Chemical Defence



NDHQ National Defence Headquarters
NORAD North American Aerospace Defence Command
NSS National Search and Rescue Secretariat

O

OGD Other Government Department

P

PAA Program Activity Architecture
PPA Preliminary Project Approval
PWGSC Public Works and Government Services Canada

Q

QR&O Queen's Regulations and Orders

R

R&D Research and Development
RCMP Royal Canadian Mounted Police
RPP Report on Plans and Priorities
RRF Rapid Reaction Force

S

SAR Search and Rescue
SARSAT Search and Rescue Satellite-Aided Tracking
SDS Sustainable Development Strategy
Supp Res Supplementary Reserve

T

TBS Treasury Board of Canada, Secretariat

U

UAV Uninhabited Aerial Vehicle
UK United Kingdom
UN United Nations
US United States

V

VCDS Vice Chief of the Defence Staff

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