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Annual Report of the
Chief of the Defence Staff
2002-2003

Contact Information

This document, as well as other information on the Canadian Forces, is available on the Department of National Defence Web Site (D-NET) at www.forces.gc.ca

General Inquiries

Director General Public Affairs
National Defence Headquarters
MGen George R. Pearkes Bldg, 15NT
101 Colonel By Drive
Ottawa, ON K1A 0K2
Telephone: (613) 995-2534

You are also welcome to contact our regional offices at:

Atlantic

ndpao.atlantic@nb.aibn.com
National Defence Public Affairs Office
Place Heritage Court
95 Foundry Street, Suite 102
Moncton, NB E1C 5H7
Telephone: (506) 851-0556
Facsimile: (506) 851-0561

Pacific and Yukon

ndpao-pacific@shaw.ca
National Defence Public Affairs Office
1090 West Pender, Suite 201
Vancouver, BC V6E 2N7
Telephone: (604) 666-0199
Facsimile: (604) 666-0156

Prairies and Northern Area

ndpaocal@nucleus.com
National Defence Public Affairs Office
100 4th Avenue S.W., Suite 418
Calgary, AB T2P 3N2
Telephone: (403) 974-2822
Facsimile: (403) 974-2829

Ontario

ndpao@bellnet.ca
National Defence Public Affairs Office
4900 Yonge Street, 6th Floor
Toronto, ON M2N 6B7
Telephone: (416) 635-4406
Facsimile: (416) 635-2795

Quebec

ndpao.mtl@videotron.ca
National Defence Public Affairs Office
Guy-Favreau Complex
200 Blvd René Lévesque West
West Tower, 9th Floor, Room 911
Montreal, QC H2Z 1X4
Telephone: (514) 283-5286
Facsimile: (514) 283-5351

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"I continue to be amazed at the ability of the men and women of the Canadian Forces to address, respond to, and overcome the challenges put before them. And, as I look forward, it is with a sense of renewed hope, pride and anticipation of what is to come."



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Message from the Chief of the Defence Staff

It is a privilege to provide you my second report as Chief of the Defence Staff.

As I look back over the past year, I continue to be amazed at the ability of the men and women of the Canadian Forces to address, respond to, and overcome the challenges put before them. And, as I look forward, it is with a sense of renewed hope, pride and anticipation of what is to come.

It is a good, albeit challenging, time to be Chief of the Defence Staff.

The Canadian Forces have not, in recent memory, been as well-positioned as they are today to address the challenges we face and to establish a new course for the future. For the first time in several years, our budget has stabilized and is sufficient to meet the essential demands of today's defence program. Parliamentarians and the Government have demonstrated concern and support for the military, and defence and security issues are being debated as part of our mainstream political discourse. Further, the past few years have seen a groundswell of public support for the men and women who defend our national interests at home and abroad.

In my first annual report, I argued quite emphatically that the Canadian Forces were at a crossroads, that the status quo was not sustainable, and that urgent action was needed to ensure that the Forces were both affordable and sustainable.

My concerns, and those of the senior military leadership, were echoed by parliamentarians, defence academics, defence stakeholders, defence journalists, and thousands of Canadians who supported our efforts in a variety of ways and added their voices to the call to do more to support our military and national security partners. I want to take this opportunity to thank all of you for your support and your efforts in this regard.

Our Defence Minister, the Honourable John McCallum, listened to us, consulted defence experts across the country, engaged his Parliamentary colleagues, and acted decisively to convince Government to support us where it matters most — with hard, stable funding. As a direct result of these efforts, the Government increased defence spending by \$800 million per year in Budget 2003. This is the single largest increase in defence spending in over a decade. With this increase in funding, our sustainability gap can be nearly eliminated and we are now in a position to stabilize the Forces. Thanks are extended to the Minister and Government on behalf of the men and women of the Canadian Forces, for the confidence demonstrated by this funding increase and their ongoing commitment to the Canadian Forces and Canada's defence needs.





I also want to thank all the men and women of the Canadian Forces for their contributions over the last year. It is through your dedication, professionalism, and extraordinary hard work that the relevance of Canada's defence and security investments have been brought home to Canadians. Your efforts towards ongoing deployments in Afghanistan, your contributions to the campaign against terrorism, and your willingness to risk and sometimes sacrifice your own lives to save the lives of others demonstrate to Canadians that we matter, and that their investments in us make a difference at home and abroad. And, as a result of your efforts, why we matter is better understood by more Canadians today than it has in recent memory.

So, thank you, collectively, for the dedication you have demonstrated to sustain the tempo of operations that we have asked of you. Your efforts have made a difference to the lives you have saved, to the communities you have helped to protect and rebuild, and to the peace we are helping to secure and defend. Rest assured that the sacrifices that you have made to defend our interests and freedoms have been appreciated far and wide.

Indeed, in today's troubled world, the potential costs of not acting far outweigh the costs of doing what is necessary. As the events of

September 11th, 2001 and the follow-on environment, Iraq, ballistic missile defence, and shifts in U.S. foreign and homeland security policy all vividly demonstrate, our defence and security environment has changed, and continues to change, dramatically. We face a new generation of threats. We face different kinds of adversaries. And, we are grappling to understand, prepare for, and defend against new forms of warfare and potentially new, horrific weapons.

As the Minister noted in the *2003-2004 Report on Plans and Priorities* to Parliament, the U.S. is currently undertaking the largest restructure of its government since the beginning of the Cold War, in response to the events of September 11th. The Czechs, Australians, Germans, and Dutch are also launching major transformation initiatives. For Canada, the question is not whether to transform the Canadian Forces, it is how best to achieve the required **transformation**.

If there was ever a time for a progressive, transformative agenda, that time is now. To do so, in my view, we must move forward aggressively and accelerate our efforts to transform the Canadian Forces and our national defence and security apparatus on three levels.

First, we must transform the way we perceive and think. While the pressure to transform is being driven largely by new technologies, transformation itself is not only about technology. It is about changing human, organizational and warfighting behaviour. It is about building new capabilities and processes that capitalize on new technologies to make our warfighters more effective. And that requires new thinking. We are moving from an industrial, hierarchical mode of thinking to a world powered by collaborative human networks. We must learn to think, behave, and act as a node in a collaborative network that includes our warfighters, all three military environments, our civilian colleagues in the department and broader public security portfolio, as well as our allies. If the defining feature of the

"Transformational thinking, collaborative networks, and the precise application of lethal force all require well-trained, motivated, and adaptive people."



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industrial age was linear, vertical thinking, then the defining feature of the information age is lateral, horizontal thinking.

Second, we must transform our management structures and decision-making processes. We must evolve to a much more adaptive and flexible organization. We have all personally witnessed a multitude of ways in which information technologies are accelerating decision-making cycles and empowering our front line commanders, soldiers, sailors, and air personnel. Through data fusion, we can get an integrated view of the battlespace faster and more quickly than anything conceived of in the past. Through modern journalism and reporting, the news cycle has been reduced to minutes, and tactical events in theatre can have virtually an immediate impact on politics among nations. At the same time, it can take years to conceive and build new capabilities and doctrine. If we are to succeed in the years ahead, we must become a much more nimble organization capable of making decisions and acting on them faster. Put simply, we must build management structures and decision-making processes that facilitate timely, but accountable decision-making by the right decision-makers at the right time, from the soldier on the ground right up to Government when necessary.

Third, we must transform our force structure. Since the rise of industrial age armies, western militaries have emphasized tonnage and "mass" as the most important elements of a modern, military force. Generally speaking, the industrial age logic was often, "the bigger, the better". This logic produced bigger and heavier guns, artillery, tanks and ships, and faster and more agile fighter planes. While the capabilities provided by these platforms remain relevant, the logic is obsolete. We are moving from an age of achieving military objectives through massed, heavy, ponderous forces, to an age of applying lethal force as precisely as possible through the use of nimble, mobile, and smarter forces. At the dawn of the information age, it is already clear that the scalpel is better than the bludgeon,

quality is more important than quantity, fast is better than slow, and lethality is more important than tonnage.

My priorities for the Canadian Forces follow from these challenges. My prime objective in setting these priorities is to enable and capably support transformation.

And my first priority remains **people**. Transformational thinking, collaborative networks, and the precise application of lethal force all require well-trained, motivated, and adaptive people. I have said before that our people are our foundation. They are our thinkers, leaders, and visionaries. They connect us to our past, to our present, and to our future. In an information-age environment, it is our people who will give us our future competitive advantage.

My second priority is to continue to **modernize our force structure** using a capability-based approach to planning and future investment. As part of our transformation efforts, it is also essential that we move away from "platform-centric" thinking and do a better job defining the end-to-end costs involved in acquiring a capability, from the equipment to the human capital and skills needed to employ it, to the development of training systems and doctrine to field it.

My third priority is to expand and **enhance our relationships**. The application of military force and the worldwide scope of current and future military operations will increasingly involve a multitude of military and civilian agencies at home and abroad. Over the past few years, we have done a much better job of communicating with Canadians, parliamentarians and stakeholders, while improving communications amongst ourselves and our core constituencies. We now need to reach out further and extend and expand our working relationships and partnerships with other government departments and agencies, particularly our partners in the foreign affairs and public security portfolios. At the same time, we need to continue to build



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on our relationship with U.S., both on defence and homeland security matters, through the new Canada-U.S. Planning Group and a more proactive presence in Washington.

Finally, we must continue to **deliver on operations**, particularly Canada's contribution to the UN-sanctioned International Security Assistance Force (ISAF) in Afghanistan under **Operation ATHENA**. This is a very important undertaking for Canada. Afghanistan remains a dangerous theatre and this will not be an easy mission. It requires a modern, combat capable military with exceptional peace enforcement and peace building experience. The full-year commitment will stretch our frontline capability, particularly that of the Army. However, we have done a very effective job of balancing our operational commitments in the many other theatres in which we are involved. With this mission, we will continue to contribute to the campaign against terrorism, promote Canadian interests and values in the region, and help the people of Afghanistan. We will also continue to demonstrate that we remain among the best in the world at what we do.

Given these priorities, it is important to emphasize that transformation will take time. We will not complete this process during my

tenure as Chief of the Defence Staff. Nonetheless, we must accelerate our efforts. This will require difficult choices. We will have to reallocate from lower to higher priorities. Our choices will need to be selective, strategic and asymmetric. We will have to choose which new capabilities to invest in, and what existing capabilities to maintain, reduce or eliminate. We cannot and will not pursue a transformation agenda by "tinkering" at the margins in new capabilities without reducing or eliminating those that are no longer relevant in the current and future strategic environment.

If we want to remain relevant in the emerging security environment, we must continue to demonstrate our ability to take on the tough missions and give Canadians a good return on their defence investment. We must embrace new ways of thinking. We must build more flexible and nimble organizational structures and processes. We must modernize our capabilities-mix to encourage jointness and networking so that our systems and force structures better serve our front-line operations. And, we must not waver in our resolve.

We have come a long way in a short while, particularly over the last year. Our challenges, however, have not diminished. Now is not the time to rest on our past achievements. It is, rather, a time for transformation. As Chief of the Defence Staff, I call on all members of the Canadian Forces to embrace transformation, to deliver on our operational commitments so that we can continue to demonstrate our relevance to Canadians, and to move forward as a solid and committed team in the months and years ahead.

R.R. Henault
General
Chief of the Defence Staff



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"The CF is one of Canada's most important and recognized national institutions, reflective of Canada's diversity, values, and identity as a nation. Its mission is to defend Canada and Canadian interests, while contributing to international peace and security."

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Introduction



The *Annual Report of the Chief of the Defence Staff* provides Parliament and the Canadian public with an overview of the current state of the Canadian Forces (CF).¹ It reviews key achievements over the past year, outlines the challenges and opportunities confronting the institution, and articulates CF priorities for the year ahead.

This year's report is divided into two parts. Part One articulates key achievements in 2002–2003, focusing on the CF's contribution to public security, international operations, and the progress made over the last year on military priorities. Part Two examines the challenges that the CF is currently facing and describes how we are planning to address them as we continue to adapt to a rapidly changing world. The annexes provide additional detail on specific topics of interest. Of particular note, commencing this year, the Quality of Life annual report will be included as an annex to this report (Annex B).

Mission and roles

The CF is one of Canada's most important and recognized national institutions, reflective of Canada's diversity, values, and identity as a nation. **Its mission is to defend Canada and Canadian interests, while contributing to international peace and security.** In delivering this mission, the CF performs core responsibilities of government, contributing directly to public safety and security, the protection and defence of Canadian law and sovereignty, and broad national priorities. Significantly, the CF is Canada's "force of last resort" — the organization to which the nation turns to address and respond to crises at home and abroad.

The key roles of the CF are to:

- **defend Canada;**
- **contribute to the defence of North America, in co-operation with the United States; and**
- **contribute to international peace and security.**

Domestically, the CF's key tasks include:

- surveillance and control of Canadian approaches and territory;
- support to other government departments and agencies;
- national search and rescue services;
- assistance to civil authorities;
- aid of the civil power (under section 275 of the *National Defence Act*);
- the ability to support the federal response to terrorist and asymmetric threats;

¹ *The Annual Report of the Chief of the Defence Staff* was introduced in response to Recommendation 65 of the 1997 *Report to the Prime Minister on the Leadership and Management of the Canadian Forces*, page 51, March 25, 1997.



- support to the protection of critical infrastructure and emergency preparedness; and
- support for major international events in Canada.

Continently, the CF contributes to the defence of North America through:

- the joint command of NORAD;
- contingency planning under the auspices of the bi-national military Planning Group;
- numerous treaty-level agreements and memorandums of understanding for defence cooperation; and
- combined training activities, military exchanges, experimentation and interoperability with all three military environments.

Internationally, the CF's key tasks include:

- our contributions to peace support operations under NATO, the UN and coalitions of like-minded nations;
- collective security with our NATO allies;
- ship visits, military exchanges and training of our allies on Canadian soil; and
- arms control missions in support of a variety of treaties and agreements.

As a national institution, the CF: supports youth training through the Canadian Cadet Movement; provides opportunities for Aboriginals and Inuit through the Canadian Rangers and Junior Canadian Rangers; contributes to the well-being of the Force by delivering health-care to military members; fosters professional development and education through the Canadian Defence Academy and its embedded units, including the Royal Military College; performs an extensive environmental stewardship role; supports industry through a number of collaborative programs; and strengthens the partnership between government and Canadians by its visible contribution to our national identity.

In short, the CF is a key instrument through which the Canadian government maintains and protects the safety, security, and national interests of Canadians.



"In looking back over the past year, it is clear that we not only delivered, we delivered above and beyond expectations."



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Part One: Key Achievements in 2002–2003

The past year has been a pivotal one for the CF

Last year, it was clear that we were at a crossroads. We faced what appeared to many to be insurmountable challenges. Our operational tempo was high given our commitments to the campaign against terrorism. We faced a significant sustainability gap between the cost of the defence program and our resource base. At the same time, we recognized we needed to continue our efforts to respond to the new security environment, adapt to new technologies and capabilities, and invest in our people. The status quo was clearly unsustainable. And, the year itself began with tragedy, as four members of our CF family lost their lives in the tragic friendly fire accident in Afghanistan.

To address these challenges, we established clear priorities for the year. They included the need to put people first, modernize our force structure, and ensure modern management through effective communications. We also made it clear that we had to deal with asymmetric threats, contribute to public security, and

deliver on our international operations as part of our efforts to respond to the new security environment.

In looking back over the past year, it is clear that we not only delivered, we delivered above and beyond expectations. We were successful in our efforts to strengthen the CF contribution to public security. We contributed to our international commitments in support of the campaign against terrorism, and in support of peace operations in Europe, Africa and the Middle East. We also continued to make progress on CF priorities, moving forward on our efforts to position the CF as a rewarding career, to stabilize the CF, and to modernize our force structure, while making our case to Canadians and to Government.

The following profiles these achievements in greater detail, highlighting the outstanding contributions that the men and women of the CF have made at home and abroad.

Contributing to public security

Following the tragic events of September 11th, the Government committed \$7.7 billion in the budget of December 2001 to support a comprehensive, multi-year federal strategy to strengthen public safety and security. As part of these efforts, the Department of National Defence and the CF received an additional \$1.2 billion in targeted funding over the period from 2001–2002 through 2006–2007 to: increase the capability of Joint Task Force 2 and the Disaster Assistance Response Team (DART); strengthen the Forces' nuclear, biological, and chemical (NBC) defence capabilities; and strengthen contingency planning and the ability to support first responders in the event of a major disaster or terrorist incident.





Over the course of the past year, significant progress has been made in all of these areas. Key achievements are as follows.

- The CF is well on the way to doubling the capability of **Joint Task Force 2**. JTF2 is a counter-terrorism and special operations unit, and possesses a number of unique and specialist capabilities that could deploy in support of police and counter-terrorism activities at home, should the situation warrant. It can also deploy abroad to conduct special operations. Efforts to recruit and train new members of the unit are well underway.
 - The new **Joint Nuclear, Biological, and Chemical Defence Company** achieved initial operational capability in December 2002. This new unit provides a high readiness capability dedicated to respond to terrorist activities involving chemical, biological, radiological and nuclear (CBRN) weapons, agents or sources, and has assumed responsibility for the CF commitment to the national CBRN response team.
 - Construction began, and is expected to continue over the next two years, on the new **Counter Terrorism Technology Centre** at the Defence Research and Development
- Canada facility in Suffield, Alberta. The centre will be used to train first responders from across Canada to react to incidents involving biological or chemical warfare agents.
- The Office of Critical Infrastructure Protection and Emergency Preparedness (OCIEP) is supporting new equipment acquisitions by municipalities through the **Joint Emergency Preparedness Program**, and is spearheading national efforts to develop a coordinated effort on critical infrastructure protection with the provinces, municipalities, and private sector.
 - The **Communications Security Establishment** continued expanding its counter-terrorism capabilities, increasing its ability to identify vulnerabilities and threats to Government networks, and enhancing its ability to share information and coordinate its efforts with other security agencies.
 - The **Disaster Assistance Response Team** improved its capacity to respond rapidly to humanitarian crises, such as those associated with natural disasters, both at home and abroad. The DART acquired new equipment, improved its infrastructure, developed relationships with other disaster response agencies, and received approval for the first phase of a capability enhancement project.
 - An agreement to establish a **bi-national military planning group** led by the Deputy Commander-in-Chief of NORAD, a Canadian Lieutenant-General, was reached on December 9, 2002. Under this agreement, Canada and the U.S. will work together on contingency plans to respond to natural disasters and to deter and respond to potential terrorist threats or attacks.



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"The CF responded to 8,001 aeronautical, maritime and humanitarian search and rescue incidents..."



In addition, the CF continued to support maritime and arctic sovereignty operations. Through *Operation NARWHAL*, the CF demonstrated a Canadian presence and increased inter-agency co-operation in Canada's far north. As part of the exercise, the crews of HMC Ships *Summerside* and *Goose Bay* trained junior naval officers, worked with Canadian Rangers, and conducted joint patrols in northern waters with the Canadian Coast Guard, while advancing community relations through visits to Iqaluit and Kimmirut on Baffin Island. Ranger Patrol Groups also conducted 60 patrols and 1,200 individual deployments.

The CF also:

- responded to 8,001 aeronautical, maritime and humanitarian **search and rescue** (SAR) incidents through the joint Canadian Forces/ Canadian Coast Guard Rescue Coordination Centres;

- continued to provide **support to other government departments**, such as the Solicitor General, Environment Canada, and the Department of Fisheries and Oceans, to assist with law enforcement operations, and the protection of Canada's environment and fisheries;
- assisted both **Quebec** and **Alberta** in fighting fires in the summer of 2002;
- provided vital security and logistics **support to major international events** such as the Queen's Golden Jubilee visit, World Youth Day 2002 in Toronto, the North American Indigenous Games in Winnipeg, and the G8 Summit in Kananaskis, Alberta. The G8 required the deployment of more than 5,000 personnel with air defence weapons, CF-18s, CC-130 tankers, and several dozen helicopters to help ensure the Summit environment; and
- continued to enhance North American aerospace security through NORAD and **Operation NOBLE EAGLE**, while playing a major role in developing a bi-national, inter-agency North American Air Surveillance Plan which will enhance both nations' abilities to respond to asymmetric attacks and improve our ability to support law enforcement activities.



"...the CF deployed nearly 10,000 personnel on 14 missions throughout the world. Through these operations, the men and women of the CF again demonstrated that they are among the best-trained, most professional military personnel in the world."



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Delivering on international operations

In 2002–2003, the CF deployed nearly 10,000 personnel on 14 missions throughout the world. Through these operations, the men and women of the CF again demonstrated that they are among the best-trained, most professional military personnel in the world. The following provides a brief overview of operations over the past year.²

In **Southwest Asia**, the CF has deployed over 5,600 soldiers, sailors and air force personnel to *Operation APOLLO*, the Canadian contribution to the U.S.-led **campaign against terrorism**, since October 2001.

At its peak, Canada was the fourth largest contributor to the international coalition. While the Third Battalion Princess Patricia's Canadian Light Infantry (3PPCLI) Battle Group withdrew from Afghanistan in July 2002, significant naval and air operations have continued unabated.



The current contribution to the campaign includes approximately 1,000 members and is comprised of the Canadian Naval Task Group on station in the Arabian Sea, a Tactical Airlift Detachment, a Long Range Patrol Detachment, a National Support Unit, and a Task Force headquarters co-located with the U.S. Central Command in Tampa, Florida.

The significance of this commitment should not be understated. Air Force personnel have maintained constant surveillance and have airlifted huge amounts of supplies into Afghanistan and around the region without fanfare and with little public visibility. To date, a total of 15 ships have deployed to the region. Canadian warships, helicopters and long range patrol aircraft have accounted for 47 percent of all coalition hailings, 55 percent of boardings, and 25 percent of coalition escorts through the Straits of Hormuz. They have worked closely with warships and aircraft from a dozen countries to intercept al Qaida and Taliban personnel at sea. And Canadian ships have participated in the Multinational Interdiction Force enforcing UN Security Council resolutions against Iraq. Canada's naval role expanded further in early 2003 when Commodore Roger Girouard was given command of Task Force 151, a multi-national flotilla of warships supporting the campaign against terrorism in the Persian Gulf and the North Arabian Sea.



² Complete mission summaries are provided in Annex A.



Canada has also announced that it will contribute a brigade headquarters and an infantry battle group to the **International Security Assistance Force (ISAF)** in Kabul, Afghanistan, for a one-year period beginning in the summer of 2003. The contribution will provide approximately 1,800 personnel for two six-month rotations. Canada is expected to command ISAF during the second half of its deployment.

In **Europe**, the CF continues to contribute to peace support operations in **Bosnia-Herzegovina** through *Operation PALLADIUM*. There are currently 1,270 Canadians serving in the Task Force. Their mission is to support NATO in deterring hostilities, maintaining a secure and stable environment, and monitoring peace as part of NATO's Stabilization Force.

In **Africa**, the CF conducted peace support operations in **Ethiopia and Eritrea, the Democratic Republic of the Congo, and Sierra Leone** through *Operations ADDITION, CROCODILE, and REPTILE*, respectively. All three are UN missions where the CF is providing staff officers to oversee and observe peace agreements and help the countries involved transition to peace.

The CF also contributed to **Canadian diplomacy and interests internationally:**

- at the **NATO Summit in Prague** in November 2002, NATO Heads of State and Defence Ministers invited seven countries (Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, and Slovenia) to join the Alliance, and approved the Prague Capabilities Commitment to strengthen defence capabilities in key areas;
- the CF maintained active **arms control missions** in support of a variety of treaties and agreements including the Conventional Forces in Europe Treaty, the 1999 Vienna Document, the Dayton Peace Accords, the Chemical Weapons Convention and the Open Skies Treaty;
- the CF is supporting efforts to strengthen Canada's defence relationships with Latin American countries through the **Inter-American Defence Board (IADB)**, which Canada joined in December, 2002; and
- Lieutenant-General Ray Crabbe (retired) assumed Chair of the UN's **Standby High Readiness Brigade (SHIRBRIG)** Steering Committee, as Canada assumed presidency of SHIRBRIG in January 2003.



"... the CF continued to move the yardsticks on all of its major people initiatives, including Quality of Life..."



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Progress on Canadian Forces priorities

Our priorities last year were to continue to put people first, focus on force modernization and sustainability issues, and reinforce both external and internal communications. Despite the high operational tempo, we exceeded expectations in all of these areas.

Putting people first

Throughout 2002–2003, the CF continued to move the yardsticks on all of its major people initiatives, including:

- Quality of Life;
- Professional Development;
- Rx2000 and Health Care Renewal; and
- Recruiting and Retention.

Quality of Life

Key areas of progress on Quality of Life³ included:

- development of two comprehensive surveys to measure the impact of operational tempo on CF personnel (these surveys will be



used to formulate an interim policy on Personnel Tempo in 2003 and a final policy by 2005);

- development and implementation of a Military Family Services Program Action Plan to improve the delivery of services to military families through the Military Family Resource Centres;
- implementation of a new CF policy on family violence and a Family Care Assistance Plan to ensure continuous and safe care for the children of CF members;
- development and implementation of the "Depart with Dignity" and "Fit For Release" programs to ensure that members leaving the CF are properly recognized, that their accomplishments are celebrated, and, if necessary, that they are provided ongoing care if sick or injured; and
- implementation of operational allowances, such as post-combat reintegration assistance, which provides a lump sum payment in lieu of home leave travel (this allowance is important for members engaged in theatres such as Afghanistan, where they cannot leave their posts during their assignment).



³ See Annex B for the complete Quality of Life Report.



"As part of its efforts to address a number of deficiencies in the CF health-care system, the CF is in the process of centralizing health-care resources..."



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- the Canadian Defence Academy (CDA) opened and began operations in September 2002;
- the Officer Professional Military Education Program was established to enhance the core knowledge of the officer corps in critical areas such as military law, military technology, military history and Canadian civics;
- the Personal Enhancement Program was improved to encourage members to pursue personal studies to enhance their professional knowledge or plan for a second career;
- the Defence Learning Network (DLN) launched its "proof of concept," opening five new Learning and Career Centres across the country, and further developing an institution-wide learning management platform to manage and deliver distance learning courseware; and
- progress continued on a comprehensive review of military trades and officer classifications, known as Military Occupational Structure Analysis Redesign and Tailoring (MOSART) project, which has been undertaken to ensure the military occupational structure is up-to-date and relevant to the evolving needs of the CF and its members.

Professional development

Key developments in the area of professional development and learning in 2002–2003 included the following achievements:

- in June 2002, the first group of students graduated with a Masters of Defence Studies degree from the CF College;



Rx2000 and health-care renewal

Under the *Canada Health Act*, the Department of National Defence is legally bound to provide for the health-care needs of CF members, whether at home or abroad.

As part of its efforts to address a number of deficiencies in the CF health-care system, the CF is in the process of centralizing health-care resources throughout the CF and is moving forward aggressively to ensure CF members have access to consistent and high-quality health-care. The CF health-care renewal program is known as "Rx2000".

"...the CF has worked hard to strengthen its recruit advertising program, streamline the recruiting process, improve capacity within the training system for new recruits, and encourage quality of life, to encourage retention."



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Key developments in 2002–2003 included the following achievements. Rx2000:

- completed the establishment of a case management function in 17 CF bases and wings where case managers now ensure that all personnel on long-term medical leave or in the process of being released for medical reasons receive proper treatment;
- continued primary care trials at four military medical clinics in order to standardize establishments, processes, equipment, and infrastructure, and to continue efforts to accredit CF in-garrison clinics and ensure primary care teams are supported by diagnostic, mental-health, and support services; and
- completed the establishment of two fully deployable teams that will assess environmental health threats prior to, and during, operational deployments, in order to provide unprecedented occupational and environmental health support to deployed CF personnel in the detection, prevention, and control of diseases.

All of the Rx2000 initiatives work towards realizing one vision — the creation of a patient-focused, accessible and universal health-care system that is delivered by a multi-disciplinary, fully deployable health-care team.

Recruiting and retention

As part of its efforts to address growing labour market challenges and position the CF as an employer of choice, the CF has worked hard to strengthen its recruit advertising program, streamline the recruiting process, improve capacity within the training system for new recruits, and encourage quality of life to improve retention. Through these efforts, the CF has been able to temporarily increase the personnel levels of the Forces above 60,000 in order to establish the trained effective strength of the CF at the target level of approximately 54,500. With over 8,000 people in the training system, as opposed to the approximately 5,000 to 5,500 people normally

in the system, a return to the required trained effective strength is expected to be achieved in the not-too-distant future.

Areas of emphasis for CF recruiting remain in the medical occupations (dentists, doctors and pharmacists) as well as the Naval technical trades. To address the latter, the Navy has embarked on a Navy-specific recruiting campaign throughout Ontario, an area that traditionally provides comparatively few recruits to the Navy. Early indications show success in this area.

Applicant processing time has also been a challenge in recruiting. Efforts to streamline the recruiting process have been a major component of the recruiting strategy. Specifically, Canadian Forces Recruiting Group is working with the Provost Marshall and Director of Medical Policy to expedite the use of electronic files for security checks/fingerprints and medical files respectively. As well, the Canadian Forces Aptitude Test is nearly ready for use in electronic format. When complete, these efforts will significantly shorten applicant processing time.

Due to the time it takes to recruit, train and place an individual in an operational position, it is expected that the number of empty positions will begin to decrease soon. Even so, the CF plans to continue down the path of an aggressive recruiting, training and retention program which is discussed more fully in Part Two, under priorities.





Modernizing the force structure

As indicated last year, our priorities for modernizing the force structure included the need to:

- enhance our ability to deal with asymmetric threats;
- maintain our ability to inter-operate with key allies, particularly the U.S.;
- assure our ability to deploy globally;
- initiate Army transformation as a CF priority; and
- revitalize and continue to restructure our resources.

At the same time, the CF leadership clearly recognized that our ability to move forward was constrained by fiscal realities and the sustainability pressures we were facing.

Significantly, through the active leadership and support of the Minister, the Honourable John McCallum, the Government provided Defence and the CF with the largest single increase in defence funding in more than a decade, increasing the baseline defence budget by \$800 million per year in Budget 2003. Combined with \$150 million for inflation and other adjustments, defence spending will rise by \$1 billion. This money, combined with \$200 million in planned internal re-allocations, nearly eliminates the CF's current sustainability gap and will stabilize the Forces in the short term.

Among other things, the new funding will help the CF to:

- continue to support ongoing recruiting and training programs;

- re-stock spare parts and ease pressure on the defence budget for operational support;
- support and enhance the Reserves;
- buy new equipment and modernize capabilities in selected areas;
- address pressing infrastructure needs; and
- ease pressure on Canada's Army, Navy, Air Force and joint operations.

Put simply, Budget 2003 represents a major achievement for the Minister and for the CF as a whole.

At the same time, the CF made significant to moderate progress in its efforts to modernize in other areas. Key achievements include:

- moving forward on the CF's public security commitments (as outlined above);
- the establishment of the Canada-U.S. Planning Group, which will improve inter-operability on homeland security issues by improving the co-ordination of Canadian and U.S. maritime surveillance, intelligence sharing and threat assessment;
- continued efforts to explore shared strategic lift concepts as part of the Prague Capabilities Commitment;
- injecting \$115 million in the operating budget and infrastructure funding to stabilize the Army program and make the initial investments in its transformation; and
- allocations to sustain the 15,500 strength level of the Army Reserve, as achieved in Phase 1 of the Land Force Reserve Restructuring initiative and commence Phase 2 of the Restructure Program.

"The institution, the CF leadership, and most importantly, the men and women of the CF have been more open, more accessible and visible to Canadians."



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- delivered the HMCS *Corner Brook*, the third of four *Victoria*-class submarines in March 2003.

Communications

The CF has spent the last several years improving both its external and internal communications capabilities. These efforts have been well worth the investment. The institution, the CF leadership, and most importantly, the men and women of the CF have been more open, more accessible and visible to Canadians.

As a result, public confidence in the CF, and public awareness and understanding of defence and military issues, has on average, increased by 10-15 base percentage points in key areas over the past five years based on trend-line data available through Defence's annual base-line survey of Canadian public opinion.

The past year was particularly noteworthy. Key achievements included:

In addition, the CF, with support from the Department:⁴

- completed the flight testing of the first two CF-18 Hornet aircraft under Phase 1 of the CF-18 modernization program;
- commenced the modification of two CF A-310 Airbus (CC-150 Polaris) aircraft with air-to-air refuelling kits;
- purchased 861 new, "off the shelf" light utility vehicles, primarily for Reserve Force units;
- upgraded a new CP-140 Aurora flight deck simulator, cockpit procedures trainer, and added other modifications to the CP-140 Aurora aircraft under the Aurora Incremental Modernization Project;
- delivered a new weapon effects simulation system to the Army that will allow our soldiers to train as closely as possible to the way they will fight in operations, and will remotely monitor and record all field activity and provide detailed feedback instantly;
- continued with the ongoing delivery of a fleet of 15 CH-149 Cormorant search and rescue helicopters; and

- communications support to the Minister's Defence Update, which included consultations with parliamentarians, defence academics, and defence stakeholders, as well as the development of an on-line public consultation web site which received more than 17,600 responses from interested Canadians;
- the completion of the pilot session of the new CF Parliamentary program, through which members of Parliament can train and deploy with CF units to see first hand how today's CF operates; and
- the ongoing coordination of parliamentary, academic, and media visits to CF facilities at home, at North American Aerospace Defence Command facilities in the U.S., and overseas on missions.

⁴ For more information on current capital procurement projects, see Annex C.



In addition, the CF supported:

- speakers' programs across Canada reaching business leaders, universities, academics and educators, media, and community associations;
- engagement of the media through media visits to CF installations and operations in Canada and abroad, editorial boards, background briefing sessions, and co-production of specialty programming such as documentaries about troops in Afghanistan or life on a warship;
- engagement of youth through the Canadian Cadet Movement and Junior Canadian Rangers, interdepartmental Internet projects, and Veterans Week presentations and programming in schools nationwide;
- the collection and wide distribution of dynamic imagery of CF personnel in operations worldwide by the Combat Camera Team and by Command photographic teams; and
- successful exploitation of new media techniques to reach a wider audience of Canadians.



Progress has also been made to better support internal communications, with the establishment of an Internal Communications Support Team, which spearheaded efforts to:

- support internal communications on key files such as Budget 2003 and the Defence Update;
- articulate internal communications best practices and develop internal communications training; and
- update internal communications lists to support information distribution and dissemination.

"...today's CF sits on the cusp of a unique opportunity, having come through the challenges of the recent past, while laying the foundation required to transform the Forces into a 21st century fighting force."



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Part Two: Transforming the Canadian Forces

The Canadian Forces has not, in recent memory, been as well-positioned as it is today to set a new course for the future. Indeed, today's CF sits on the cusp of a unique opportunity, having come through the challenges of the recent past, while laying the foundation required to transform the Forces into a 21st century fighting force.

We must not miss this opportunity.

With the fall of the Berlin Wall in 1989 and into the early 1990s, the institution dealt with the end of the Cold War, the dawn of what was called the "new international order", the emergence of "peace dividend" thinking, and the development of current defence policy which called for multi-purpose, combat-capable forces able to defend Canada, contribute to the defence of North America, and contribute to international peace and security in an uncertain, unstable world.

In the mid-1990s, the institution was shaken by budget cuts and the Somalia Affair. The Government's decision to eliminate Canada's fiscal deficit — a priority which was widely supported by Canadians — led to major reductions in the defence program following Program Review I and II. The Somalia Affair, in turn, undermined public confidence in the institution and its leadership. Throughout this period, the CF was forced to focus on survival and the implementation of personnel reductions and base closures, coupled with virtually constant attacks on its credibility.

By 1998, the CF had entered a period of institutional reform and renewal. Following the Somalia Affair, more than 314 reforms were introduced to improve leadership and management of the CF, modernize and enhance the fairness of the military justice system, increase



openness and transparency, and strengthen professional development and ethics. At the same time, the operational tempo faced by the CF and public understanding of the continued relevance of the CF in the post Cold War era increased dramatically as the men and women of the CF were called upon repeatedly to support deployments in Haiti (1994), Manitoba (floods of 1997), Central Canada (ice storm of 1998), Honduras (1998), East Timor (1999), Kosovo (1999), Year 2000 contingency planning (1999), and the campaign against terrorism (2001 – present).

This period of renewal was actively supported. The 1999, 2000 and 2001 federal budgets provided Department of National Defence (DND) with a significant amount of new resources to address quality of life, sustainability, and public security and anti-terrorism issues within the Department. However, the Defence Update identified that a sustainability gap of approximately \$1 billion still existed between the annual funding received by DND and the financial demands of the Department's activities. This shortfall was addressed in Budget 2003 when Defence was provided with an annual increase to its funding base of \$800 million annually. When combined with the \$200 million of planned internal reallocations, the \$1 billion sustainability gap will be nearly eliminated.



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“People remain our foundation and our future. They are the life-blood of our institution — willing to put their lives on the line to enforce justice and defend the freedoms, laws, and values that all Canadians hold dear.”

With Budget 2003 and five years of renewal, the CF is now positioned to address the future.

However, we now face a new challenge. If we are to remain relevant and do our job of delivering the best military forces we can with the resources we have, we must tackle the challenge of transformation before us. And, we must do so with resolve, determination, and unity of purpose.

We face a new security environment. While many of the changes underway were evident before September 11th, the past few years have now crystallized the fact that we are dealing with some of the most profound changes in the defence and security environment in decades. We face new enemies. We face a new generation of threats. Relationships are changing. The nature of military operations is changing. And, we are working to understand, prepare for, and defend against new forms of warfare and potentially new, horrific weapons.

For the CF, the question has become not whether to transform, but how best to achieve the required transformation.

This challenge must not be underestimated. While our transformation agenda will not seek to restructure or re-equip the CF completely, transformation will demand that we change the way we think. It will require new structures and processes. And, it will demand reallocation from lower to higher priorities to support further modernization of the force structure.

To enable transformation, the CF must embrace transformational thinking and leadership, nurture public and CF understanding of the strategic and technological forces driving transformation, and achieve unity of purpose by focussing on clear priorities. While transformation will be a multi-year challenge, it is a path we must pursue now and move forward more aggressively.

Within this context, our immediate priorities for the year ahead are to:

- continue to invest in people;
- accelerate modernization of the force structure;
- expand and enhance our relationships with our partners and allies in defence and security; and
- deliver on operations, particularly *Operation ATHENA*.

Investing in our people

People remain our foundation and our future. They are the life-blood of our institution — willing to put their lives on the line to enforce justice and defend the freedoms, laws, and values that all Canadians hold dear. They are among the best in the world at what they do and they deserve our unwavering support and commitment. Despite our best efforts, however, we are likely to continue to face significant challenges in the years ahead in our efforts to recruit and maintain the personnel base we need to be successful.

As the demographic profile of Canada ages, we are moving from what was essentially a “buyers” labour market over the past two decades (in that the labour supply exceeded demand), to what is quickly becoming a “sellers” labour market (where demand for labour exceeds supply). In this new market, the future employee will drive the dynamics that govern human capital. The competition for talent is already fierce, and it is going to become even more competitive in the years ahead. To compete in this labour market, the CF must be positioned as a superior career option for Canadians. And, while it is unlikely that we will be able to compete with the private sector in terms of pay and compensation, we can and should excel in terms of the quality, excitement and reward of the work



experience that we offer. We make a difference in the world unlike any other Canadian organization or institution. This is our competitive advantage, and we must capitalize on it.

To this end, we must ensure that we:

- manage our operational and personnel tempo;
- sustain our Quality of Life initiatives including operational Quality of Life;
- continue to support recruitment, training, and retention;
- promote diversity and equality;
- nurture leadership and professional development; and
- see through reforms to the military health-care system.

Managing operational and personnel tempo

Effective management of the operational and personnel tempo of the CF remains critical to the health and well-being of the CF as a national institution.

CF members must balance operational deployments, with family life and individual and collective training. At the same time, the CF must maintain several high readiness units to respond to short notice security and humanitarian emergencies within Canada and internationally. These high readiness units include Immediate Response Units in the Land



Force areas, Joint Task Force 2, the Disaster Assistance Response Team, ready-duty ships, search and rescue teams, and NORAD elements across Canada and the U.S.

Keeping highly-trained, professional forces at a heightened state of alert in addition to regular deployments and training, also means that units and their personnel must be rotated regularly through various states of readiness. Put differently, to meet the concurrent demands of deployment, training, and the maintenance of high readiness units, the CF requires a system of “managed readiness” for both personnel and equipment.

As an example, to accomplish this, the Army is moving forward with a new initiative, known as the Army Training and Operations Framework, to manage personnel and operational tempo and ensure troops are regenerated by placing units and manoeuvre formations in one of three phases: high readiness, training or reconstitution/support. The benefits of this system include a more manageable and predictable cycle of work, a corresponding reduction in stress for personnel, and an increase in flexibility to resume activities which are often precluded by a sustained, high tempo of operations.

At the same time, the CF continues to support an “early in — early out” approach to deployments where appropriate. The CF is also examining new concepts, such as the force employment model, to ensure better alignment between CF commitments and our capacity to execute and sustain them.



"...it is important to continue to support our Quality of Life program, particularly with respect to the need to balance the demands of military service with the needs of CF members and their families."

Pressure is also being relieved through the increased use of Reservists. This has been achieved through an expansion of the Land Force Reserve to 15,500 soldiers, which has been assisted by a reduction in the annual attrition rate over the past year. Growth in our Land Force Reserves will continue with an increase in strength of approximately 750 people per year over the next two years. Eventually, Land Force Reserve strength will increase to 18,500. Additionally, the Supplementary Reserve project has been created to establish a more operationally focused sub-component of the Reserve Force that could meet its role of providing individual augmentation, on a voluntary basis, to enable the CF to mount and sustain operations in all stages of mobilization.

Sustaining the Quality of Life initiative

While it is vital to manage personnel tempo, it is also important to continue to support our Quality of Life program, particularly with respect to the need to balance the demands of military service with the needs of CF members and their families.

Key Quality of Life initiatives being pursued include:

- updating accommodation requirements across the CF in accordance with the newly approved rationalization and recapitalization program;
- streamlining access to suitable accommodations through the use of a single service provider;
- continuing to work on a modern definition of the family with a view to updating associated policies and programs, conducting research on family violence, integrating results into the development of programs, and developing a way ahead regarding family health-care issues;

- developing a definition of the term Quality of Life in accordance with operational and policy concepts at all levels, and developing a system to measure Quality of Life on a more continuous basis with a view to facilitating trend analysis;
- making recommendations to improve the provision of publicly funded and non-publicly funded morale and welfare programs that are the responsibility of the Canadian Forces Personnel Support Agency, including fitness, sports and community recreation, family services, retail services, financial services, health promotion and messes; and
- expanding the Quality of Life program to include operational Quality of Life, to provide for the doctrinal, training and equipment needs of the CF in the 21st century.

Supporting recruitment, training and retention

To address the demographic challenges it is facing, the CF must continue to place a heavy emphasis on recruiting, training and retention.

In the immediate term, the CF **focus must remain on recruiting** for specialized occupations that are clearly under short-term pressure in areas such as technical and specialist non-commissioned trades, and medical and engineering officer classifications. It must also continue to enhance its recruiting efforts by reforming its recruiting processes, examining enrolment incentives, allowances and entry plans, and by enhancing its focus on colleges, universities and communities across Canada.

With higher than average recruiting levels projected,⁵ it is expected that short-term pressure on **CF training** systems will continue to remain high. Significant effort is thus being placed on the re-alignment of training programs to cater to entry-level training requirements. In co-operation

⁵ Additional details on recruiting are available in Annex D.

"To support its recruiting and retention efforts, the CF must also do more to reach out to a broader base of Canadians and encourage greater diversity within the Forces."



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with community colleges across the country, CF personnel are being provided training for technical occupations that have civilian equivalents. Also, CF Schools are making increased use of contracted instructors, freeing relatively scarce military personnel in pressured occupations for other instructional or operational duties. Incentives are also being used to attract personnel with desired skills, lessening the need for training and making those individuals available for employment sooner. Even with these efforts, however, the CF will likely experience a growing number of personnel awaiting training over the course of the upcoming year.

The CF also faces a major loss of knowledge and experience through attrition. Demographics show we are likely to experience a significant loss of experienced personnel over the next six to ten years as a large cohort is approaching its first immediate annuity point after 20 years of service. Although overall CF attrition rates are reasonable, there are a number of military occupations that are likely to experience higher than average attrition due to strong demand in the private sector for specialized skills.



Retention is therefore likely to become more important than ever in the years ahead. Given this, the CF has introduced a new retention intervention process that provides the CF with the ability to identify, analyze and propose retention remedies for military occupations with immediate or future serious attrition patterns. It is also developing new terms of service provisions, including a short duty engagement program. Short duty engagement offers a one- to two-year commitment for skilled personnel, such as doctors, or for former skilled members who would like to return to the CF for a short duration. Another initiative is a new entry program that will allow for variable periods of enlistment. Furthermore, a new retirement age of 60 years will be introduced to enable the CF to retain valuable skills and experience longer — allowing most to complete a full 35-year career if they wish to do so.

As a result of these collective efforts, the trained effective strength of the CF is projected to continue to increase from 52,209 today to 53,220 in 2005–2006.

Promoting diversity

To support its recruiting and retention efforts, the CF must also do more to reach out to a broader base of Canadians and encourage greater diversity within the Forces. This is becoming increasingly important in a country where visible minorities are expected to represent over 30 percent of the population over the next 20 years. While these changing demographics are a reality in Canada, visible minorities have traditionally not been attracted to the CF. There are several reasons for this, amongst them the fact that many new Canadians are immigrating from countries where the armed forces are not viewed as a positive force in society. These new Canadians need to know that they are a key to the future of the Force, as they are to the future fabric of the country.

We therefore need to make the promotion of diversity an even greater a priority.



In the meantime, progress is being made. For example, more than 75 percent of CF members completed the CF Employment Equity self-identification census in 2002. Of that number, 84 percent chose to self-identify. Results of the census indicate that 16 percent of CF members are women, 3.4 percent are Aboriginal people, 4.2 percent are members of visible minorities, and 3.1 percent are people with disabilities. That self-identification will allow us to better understand the demographics within the CF and better manage our long-term diversity goals and programs.

In that vein, the CF has established four Defence Advisory Groups, one each for women, Aboriginal people, visible minorities, and people with disabilities. These groups, increasingly represented at CF bases as well, are mandated to assist the CF leadership in identifying barriers to employment so that they can be eliminated, thereby promoting diversity and improving retention rates. The CF also continues to promote the Aboriginal Entry Program, which offers First Nations, Métis and Inuit people first hand experience of life in the CF before joining. Finally, work has begun on a review of all recruiting, promotion, training and retention practices, programs, and policies in the CF, as well as an overarching strategic plan governing military human resource management. Through these efforts, the CF can be expected to better integrate employment equity and diversity objectives throughout its human resource management system.

Leadership and professional development

Effective leadership and professional development are essential ingredients in building the CF of the future. Modern military operations require officers and non-commissioned members to operate effectively in complex, information-rich environments, employing sound judgement and ethics. Transformation, in turn, will require visionary thinking, as well as the ability to inspire, empower, and network.

To nurture our leaders, the CF has:

- developed Officership 2020 and NCM Corps 2020;
- established the CF Leadership Institute; and
- established the new Canadian Defence Academy.

The Canadian Defence Academy has been given the mandate to develop the leadership skills, professional knowledge, and management abilities required of CF leaders within the evolving security environment.

Within this context, the key next steps for leadership and professional development include:

- focusing the Academy on maintaining the momentum of Officership 2020 and NCM Corps 2020;
- concluding a gap analysis between the visions and requirements articulated in Officership 2020 and NCM Corps 2020 and existing programs, and introducing a plan to close the gap;



- developing a common body of knowledge through the introduction of a Profession of Arms Manual and a CF Leadership Manual;
- determining the appropriate amount of time CF members should spend on professional development; and
- refining the CF Professional Development System.

Reforming military health-care

Effective and responsive health-care is another key element in our efforts to invest in and support our people. Of particular concern in this era of increased tempo are the phenomena of operational stress injuries and post-traumatic stress disorder. A key priority for the immediate future of the management of operational stress injuries is the development of a database that accurately reflects the number of CF personnel, including members of both the Regular and Reserve force, who are affected by stress-related injuries. Standardization of protocols for assessment, treatment, outreach and research concerning operational stress injuries and post-traumatic stress disorder is being undertaken at each of the Operational Trauma and Stress Support Centres across Canada. In addition, the Medical Group is fostering partnerships with the civilian sector to stay abreast of clinical best practices and emerging technologies in health-care training and education such as distance learning.



Modernization of defence and security capabilities

A central element of the transformation agenda must be to accelerate our efforts to modernize our defence and security capabilities. The U.S. is currently undertaking the largest restructure of its government since the beginning of the Cold War in response to the events of September 11th. At the NATO Summit in Prague last November, NATO Heads of State, including Canada, endorsed the Prague Capabilities Initiative, which has a strong transformation sub-component. The Australians, Czechs, Dutch, and Germans indicated that they too are launching major transformation initiatives.

For the CF, the key modernization priorities include⁶:

- command, control, communications, computers, intelligence, surveillance, and reconnaissance (C⁴ISR);
- joint combat capability and interoperability;
- rapid reaction and deployability; and
- research, development and experimentation.

Command, control, communications, computers, intelligence, surveillance, and reconnaissance (C⁴ISR)

Some of the most important drivers of transformation and the revolution in military affairs are the new information technologies. These are

⁶ For a list of capital procurement projects, see Annex C.

“Year after year, substantial progress in information technologies is creating powerful new ways to enhance operational and institutional effectiveness.”



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the same technologies that are revolutionizing both business affairs and military affairs. Year after year, substantial progress in information technologies is creating powerful new ways to enhance operational and institutional effectiveness. From increased battlefield awareness, to enhancing the military's ability to apply lethal force with minimum collateral damage, to coordinating tactical, operational and strategic capability, information technologies are the catalysts most affecting the evolution of modern warfare.

One of the most important elements in this transformation involves C⁴ISR. It describes the collective combination of people, processes, organizations, and technologies that form the “brain” and “central nervous system” of the CF's ability to command and conduct operations. C⁴ISR is also essential in increasing the battlefield awareness of front-line warfighters and in efforts to enable operational and tactical level networking across joint and combined forces.

Strengthening the CF's C⁴ISR capability is therefore essential to the transformation agenda. In order to achieve a coherent, effective, and affordable C⁴ISR capability, the CF and the Department are actively engaged in preparing a “C⁴ISR Campaign Plan” to establish the framework for investing in improved C⁴ISR capabilities over the next fifteen years. This will be a complex, multi-layered plan that will address all aspects of C⁴ISR. The personnel and organizational implications will be as important as the investment

in new technologies. While the first iteration of the effort will be completed in 2003–2004, the plan will continue to evolve to take into account emerging technologies and evolving strategic considerations affecting the CE

As a critical element of the CF's C⁴ISR capability, the ability to “fuse” the ever-increasing flow of operational information and intelligence in a timely and commonly understood and accessible manner will also be essential. In light of this, the Department has recently approved, in principle, a \$65 million project to create a “Joint Information and Intelligence Capability.” This project is expected to achieve initial operational capability by the autumn of 2004, with full operational capability projected for 2006–2007. This intelligence capability is occurring in parallel with a defence intelligence review, which is focused on improving coordination of military tactical, operational and strategic intelligence functions performed by deployed units, regional commands, and National Defence Headquarters, respectively.

Joint combat capability and interoperability

Another key element of transformation and force modernization revolves around the growing importance of joint combat capability and inter-operability.

In basic terms, “jointness” involves elements from two or more services working together in pursuit of common objectives. A fighter, maritime patrol, or transport plane flying in support of a single ship or Army unit to achieve a common mission is a basic example. Joint operations are enabled through inter-operability, a networked, information-rich environment, and joint training and experience. In comparison, combined operations involve two or more countries working together.

Joint and combined operations and “thinking” are reflective of the new, emerging nature of warfare. Joint and combined operations bring together capabilities as required to apply lethal force as precisely as possible. It is important to



"To fully exploit these capabilities in an information rich, networked environment, however, we will need new capabilities and faster information, networking and decision-making processes that capitalize on new technologies to make tactical units more effective."



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keep in mind, however, that jointness is a method, not necessarily an end. What is required is the ability to bring different capabilities to bear flexibly, quickly, efficiently, and effectively, depending on the nature of the mission or operation.

That is why transformation demands that we change the way we sense, think and operate. Joint and combined thinking in a networked environment enables new warfighting behaviours. To fully exploit these capabilities in an information-rich, networked environment, however, we will need new capabilities and faster information, networking and decision-making processes that capitalize on new technologies to make tactical units more effective. If the defining feature of the industrial age was linear, sequential, vertical thinking, the defining feature of the information age is networked, longitudinal, horizontal thinking. At the same time, we must become much more nimble, and be prepared to empower peer-to-peer communications on a much more seamless and

timely basis, while ensuring decision-making by the right decision-makers at the right time, from the soldier on the ground right to the Government when necessary.

To achieve this vision will require a significant degree of inter-operability at all levels — horizontally and vertically — as well as investment in C⁴ISR, joint force experimentation and research, joint force training in new tactics and procedures, and the development of new joint and combined doctrine. And we must ensure that we do not limit our efforts and thinking to inter-service joint activities. We must consider multinational, interagency and even broader perspectives.

Rapid-reaction and deployability

Rapid-reaction and the ability to deploy the CF where needed are also key considerations in preparing for the future. If the past decade is any indication of what the future will bring, the CF needs to be able to field mobile, lethal forces that are relatively easy to deploy, can operate in the most hostile and demanding operational theatres, and can be sustained.

A key enabler of future mobility and reaction times is strategic air- and sea-lift.

Strategic airlift, however, is very expensive. Of all NATO countries, only the U.S. and Britain own their own strategic airlift assets. While the CF continues to explore strategic airlift options, it has been determined by Government that the unilateral purchase of strategic airlift assets by Canada is not achievable in a climate where a wide range of new and improved capabilities are required to support transformation. Given this, Canada continues to explore the possibility of pooling with other NATO nations to satisfy the strategic airlift requirement. At the NATO Summit in Prague last November, Canada, in fact, joined ten other NATO allies in a German-led multinational working group examining the various options. Canadian officials are working to ensure that practical access to the required capability remains at the forefront of ongoing discussions.





“...there is no “guide book” to transforming military forces in the 21st century. Indeed, transformation necessarily entails a high degree of research, creativity, innovation, and experimentation.”



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Canada has also joined a multinational cooperative working group, led by Norway, looking into establishing ‘dormant contracts’ with commercial shipping companies. If approved, the proposals would provide the eight participating NATO allies with assured access to strategic sealift vessels in the event of a need to rapidly deploy high-volume, high-density equipment, such as armoured vehicles. At the same time, the Navy is exploring the replacement of the *Protecteur*-class replenishment ships, which are approaching the end of their service lives and will need to be replaced in the near future.

Research, development and experimentation

Another key enabler of transformation and force modernization is research, development and experimentation. There is no set path for the years ahead. No one has all of the answers. And, there is no “guide book” to transforming military forces in the 21st century. Indeed, transformation necessarily entails a high degree of research, creativity, innovation, and experimentation.

For all of these reasons, the CF has already moved forward to establish the Canadian Forces Experimental Centre (CFEC) in Ottawa. The CFEC’s mandate is to improve capability-based force development planning through innovative concept development and experimentation. The Centre attained initial operational capability in early 2003 and will reach full operational capability in 2004.

As part of its efforts to date, the CFEC has already established a CF Experimentation Network, working closely with command-specific centers of expertise, Defence Research and Development Canada, and the U.S.-run Combined Federated Battle Lab Network. The CFEC is also working with the U.S. and other close allies on concept development and experimentation in various fields, including work on areas such as “effects-based operations”, the use of Internet technology for distance learning and joint distributed mission training, and the use of modeling and simulation to improve the life-cycle management of weapon systems.

The CFEC is also taking the lead in investigating the application of new technologies and processes to improving the CF’s C²ISR capabilities. One area of particular interest is the rapidly evolving capability demonstrated by unmanned aerial vehicle — or UAV — technology. The CF continues to investigate the potential for UAVs to meet CF requirements for intelligence, surveillance and reconnaissance. In the spring of 2003, the CFEC conducted a successful live-fly experiment using leased UAVs in support of Exercise



"In the post-September 11th security environment, the CF needs to strengthen its defence and security relationships, both at home and abroad."



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Robust Ram that demonstrated the considerable potential UAVs offer in support of mechanized battle group operations. Further experiments are expected to take place in the summer of 2003 to investigate the potential for UAVs to enhance the surveillance of Canada's coastal waters.

In addition to CFEC activities, the Army, Navy and Air Force are expected to continue experimentation in their respective areas as well. Over the next two years, the CF Maritime Warfare Centre in Halifax will develop the capability to engage in maritime concept development and experimentation. The Air Force, in turn, is establishing a CF Aerospace Warfare Centre, with initial operational capability forecast for March 2005. For its part, the Army is experimenting with the "Command Support Pilot Project," which seeks to define the optimal command support organization for the Interim Army Model.

Enhancing relationships

Transformational thinking also needs to extend to the way we think about our relationships. Indeed, future military operations will increasingly involve a multitude of military and civilian agencies at home and abroad. Over the past few years, we have done a much better job of communicating with Canadians, while improving communications amongst ourselves and our core constituencies. We now need to reach out further and expand our working relationships and partnerships with other government departments, agencies and allies.

Building on our defence and security relationships

In the post-September 11th security environment, the CF needs to strengthen its defence and security relationships, both at home and abroad.

At home, it is vital to strengthen our working relationships with the public security portfolio of Departments and Agencies as part of the



Government's public security agenda. These departments and agencies are natural partners in the campaign against terrorism and our efforts to strengthen public safety and security.

Our key public security partners include:

- the Department of Foreign Affairs and International Trade;
- the Defence portfolio agencies (including OCIPPEP, CSE, and DRDC);
- the Solicitor-General (including the RCMP and CSIS);
- the Canada Customs and Revenue Agency;
- Transport Canada;
- Immigration Canada; and
- Fisheries and Oceans (including the Coast Guard).

As part of these efforts, CF members should take advantage of opportunities to strengthen our links to provincial and municipal governments in cooperation with OCIPPEP. Our members have always been active in their communities, and our base and wing commanders and staffs have always maintained strong ties with municipal and provincial officials and elected representatives. These links have been intensified significantly

"While we have made significant investments and progress in communications over the past few years, we will need to be even more proactive and creative in the months and years ahead to make the case for transformation."



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since September 11th, which brought into sharp focus the pressing need to improve emergency preparedness and response capabilities nationwide.

At the same time, we must continue to build on our defence relationship with the U.S. as part of both countries' efforts to strengthen continental security following September 11th. The U.S. is Canada's most important ally and defence partner. Our defence relations are longstanding, well entrenched, highly successful, and mutually beneficial. This relationship is supported by more than 80 treaty-level defence agreements, 250 memoranda of understanding, and joint bi-national command of NORAD.

Our relationship with the U.S. is also built on the commitment to our friends that Canada must never be a source of insecurity to the U.S. We share the longest undefended border in the world. Both countries' economies rely on our free trade relationship. And, while neither country wants to restrict trade, security considerations are increasingly the driving concern for American decision-makers following September 11th. In this environment, it is in Canada's national interest to work collaboratively with the U.S. to strengthen continental security.

That is why both governments agreed to create a new, bi-national military planning group in December 2002. The planning group makes common sense. Its mandate is to improve the coordination of Canadian and U.S. maritime surveillance, intelligence sharing and threat assessments in order to help prevent terrorist attacks and improve contingency planning to respond to a future attack or major natural disaster. The planning group is co-located with NORAD Headquarters in Colorado Springs, and is headed by a Canadian Lieutenant-General.

Additionally, the two countries have common interests in a continental missile defence system. The Minister of National Defence and the

Minister of Foreign Affairs have been given authority to enter into discussions with the United States on Canada's participation in ballistic missile defence. While it is too early to speculate on whether and how we might agree to a partnership, it is important to recognize that the current proposed system is not the "Star Wars" concept put forward by the U.S. in the early 1980s, a concept which proposed a massive, space-based platform capable of intercepting a massive nuclear attack by the former Soviet Union. The current U.S. proposal is much more modest, based on a land-based system, capable of intercepting a limited missile attack by a terrorist group or a rogue regime. Canada's decision, however, is likely to have a significant impact on how Canada-U.S. defence relations, the planning group, and NORAD evolve in the years ahead.

Internationally, the CF needs to continue to reinforce relations with NATO, and nurture relationships with our new NATO partners through programs like the Military Training Assistance Program and NATO Flying Training in Canada. Military diplomacy is important. It provides opportunities to collaborate, exchange ideas, learn from best practices, and leverage shared interests.

The CF also needs to enhance its relationships within the western hemisphere, particularly with Mexico and other Latin American partners as a new member of the Inter-American Defence Board and the Conference of American Armies.

External and internal communications

Communications is a key enabler in our efforts to enhance our relationships, and build external and internal awareness, understanding and support for the CF. And, while we have made significant investments and progress in communications over the past few years, we will need to be even more proactive and creative in the months and years ahead to make the case for transformation.



We are starting from a very solid foundation.

National Defence's 2002 annual baseline survey, for example, shows that:

- 94% of Canadians believe the Canadian Forces are an important national institution;
- 93% believe it is important for Canada to maintain a modern, combat-capable military — an increase of 12% since 1998;
- 92% have a positive impression of the people who serve in the Canadian Forces; and
- 87% believe the Canadian Forces are a symbol of pride for Canada.

In addition:

- 74% of Canadians believe the world is less safe than a decade ago — an increase of 14% since 1998; and
- 91% believe the Canadian Forces will be asked to do more over the next decade — an increase of 8% since 1998.

At the same time, 80 percent of Canadians do not believe that the CF has all the equipment necessary to carry out operations at home and abroad.

Clearly, Canadian support for the Forces, concerns about defence and security in the post-September 11th environment, and concerns about CF capabilities all remain high.

In this environment, and given recent budget increases, it is important to demonstrate that the CF is taking action to strengthen its capabilities in key areas.

At the same time, we must continue to invest in our relationship with Canadians. We must continue to reach out to parliamentarians and our stakeholders. We must continue to encourage



diversity and reach out to Canadian youth as potential recruits. And, most importantly, we must expand our constituency base. If we are going to move forward and modernize the Forces, we must be prepared to invest in building new networks and a broader understanding of how the defence and security environment is changing.

We must also continue to do more within the Forces. External and internal communications today are seamless. In many ways, the distinction is artificial. What is communicated within is communicated without, and *vice versa*. That said, it is vital that we take the time to explain what is driving transformation to CF members at all levels, and in particular, encourage our people to embrace transformative thinking. We must also be prepared to encourage new practices, such as the Army's new Integrated Internal Information Platform, known as 3IP, which seeks to combine current best practices with new media tools to accelerate and broaden the internal flow of information. In all of these efforts, it is up to CF leaders at all levels to generate the unity of purpose in meeting the challenge ahead of us.



To this end, we have updated our strategic communications plan to guide our efforts in the year ahead. CF commanders and CF members are encouraged to take a proactive approach to communications, staying within their lanes. As part of these efforts, soldiers, sailors and air force personnel are strongly encouraged to visit communities upon returning from deployed operations to speak about their experiences. Commanders should also continue to support the CF Parliamentary program and Base/Wing and facility visits and open houses at military installations across Canada. Remember, we all have a role to play in supporting both internal and external communications.

Delivering on operations

As we start down this more aggressive path of transformation, we must not lose sight of the demands that today's operational realities will put upon our soldiers, sailors, and air force personnel. Operations are our business and the most important and visible expression of how we make a difference and why we serve.

As we look forward to the year ahead, however, it is clear that we also face significant operational challenges. In addition to ongoing operations and missions at home and abroad including the Balkans, the Middle East and in Africa, we will be undertaking a major mission to support the International Security Assistance Force (ISAF) in Afghanistan, starting in the summer of 2003. At the international community's request, Canada has agreed to support ISAF

for a full year, with two six-month deployments. This is a major challenge. It will be demanding and it is also very important.

The International Security Assistance Force was authorized by UN Security Council Resolution 1386 on December 20, 2001, with a mandate to assist the Afghan Transitional Authority.⁷ The United Kingdom was the first country to serve as lead nation, from December 2001 to June 2002. At present, Germany and the Netherlands are sharing the lead under the UN mandate.

On February 12, 2003, the Minister of National Defence announced that the international community had asked Canada to help maintain peace and security in Afghanistan through the ISAF. In response, Canada has agreed to send a battle group and a brigade headquarters and some additional elements as well — under *Operation ATHENA*. The objective of *Operation ATHENA* (Canadian Task Force ISAF) will be to support the UN-authorized mission in Kabul, Afghanistan, for a period of 12 months.



⁷ Note that while the UN Security Council approved ISAF under Chapter VII of the UN Charter, it is not a UN operation.



ISAF's mission is to help maintain security in Kabul and the surrounding areas so that the Afghan Transitional Authority and UN agencies can function. It also includes liaison with political, social and religious leaders to ensure that ISAF operations appropriately respect religious, ethnic and cultural sensitivities in Afghanistan. ISAF's key tasks include:

- ensuring freedom of movement in Kabul and the region surrounding the city;
- force protection;
- provision to the Afghan Transitional Authority of advice on security structures and issues;
- assistance in the operation of Kabul International Airport; and
- assistance in the reconstruction of Afghanistan's national armed forces.

At this time, ISAF comprises 5,000 troops from 29 nations. To support ISAF, Canada plans to deploy some 1,800 personnel to the Kabul area in Afghanistan starting in the summer of 2003. Under the leadership of a new NATO Headquarters, to be established in Kabul at the same time as we deploy our Forces, Canada is expected to take on the responsibilities of Deputy Commander during the first six-month period, and command ISAF during the second half of our year-long deployment.



The Afghanistan mission clearly demonstrates Canada's continuing commitment to combat terrorism. It is not, however, a traditional peacekeeping mission. The mission has risks. Afghanistan remains a dangerous theatre. This mission requires a modern, combat-capable military with exceptional peace enforcement and peace building experience. While it will stretch the CF, particularly the Army, it is an important contribution to the campaign against terrorism, will help defend Canada and the world against terrorism, and will help the people of Afghanistan.

Delivering on *Operation ATHENA* will be a top priority in the year ahead.

"We have already made significant progress laying the foundation for transformation."



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Conclusion



We have a unique opportunity before us.

For the first time in several years, our budget has stabilized and is sufficient to meet the basic demands of today's defence program. Parliamentarians and the Government have demonstrated concern and support for the military, and defence and security issues are being debated as part of our mainstream political

discourse. Further, the past few years have seen a groundswell of public support for the men and women who defend our national interests at home and abroad.

Through the Minister's Defence Update process, we have confirmed that our core strategy for adapting to the new security environment is sound: the primary roles of the CF remain valid; Canada continues to need and benefit from professional, combat-capable military forces; and, Canada's future military needs to be rapidly deployable and inter-operable with Canadian allies, particularly the U.S.

We have already made significant progress laying the foundation for transformation. We have assessed the future technology, studied asymmetric threats, and developed a strategy for the future entitled *Strategy 2020*. We have moved forward with capability-based planning, established the CF Experimentation Centre, and are moving forward on C⁴ISR. The Army and Navy have both published strategies for transformation, and the Air Force and Joint Force strategies are nearing completion.

We have strengthened our internal and external communications capacity, built a solid constituency of support among parliamentarians,

"We have not for several years, been as well-positioned as we are today. However, we face a major challenge that demands that we transform the Canadian Forces and adapt to the new military realities reshaping our strategic environment."



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defence academics, and stakeholders. And, we are now moving forward to expand our constituency base and building new partnerships at home and abroad.

We have not for several years, been as well-positioned as we are today.

However, we face a major challenge that demands that we transform the Canadian Forces and adapt to the new military realities reshaping our strategic environment.

Our immediate priorities are clear. We must:

- continue to invest in our people;
- accelerate our efforts to modernize defence and security capabilities;
- enhance our relationships at home and abroad; and
- deliver on operations, particularly *Operation ATHENA*.

Pursuing a transformation agenda will be difficult. We continue to be stretched. Difficult decisions and choices will be required. But now is not the time to pause in our resolve to



re-position Canada's military as a relevant, combat-capable player in the new defence and security environment.

We must move forward with determination, commitment and unity of purpose and we must capitalize on this opportunity.

The time to act is now.



Annex A: Canadian Forces operations 2002–2003

North America

Canadian air forces continue to participate in the conduct of *Operation NOBLE EAGLE*, in which Canadian, U.S., and NATO air-defence assets have enhanced the safety and security of North American airspace in the wake of the terrorist attacks in 2001. In Canada, this resulted in a significant increase in the number of fighter aircraft on alert and the number of tankers and surveillance aircraft supporting the operation. It has involved the Canadian NORAD Region (CANR) Headquarters in Winnipeg, Manitoba, the Sector Headquarters in North Bay, Ontario, the CF-18 fighters and mobile radar forces from Cold Lake, Alberta, and Bagotville, Quebec, and air-to-air refuellers from Winnipeg.



Europe

North Atlantic Treaty Organization (NATO) Stabilization Force — *Operation PALLADIUM*

With a mandate to deter hostilities, establish a secure environment, and monitor the peace in Bosnia-Herzegovina, the Canadian contingent of 1,270 Canadian Forces personnel consists of National Command and Support elements, an infantry battle group and a helicopter detachment. Canada also provides several staff officers to the various headquarters located throughout Bosnia-Herzegovina. Canada will take command of the newly re-named Multinational Brigade North-West in September 2003. Command of Multinational Brigade North-West, in which the Canadian Battle Group is located, rotates annually between Canada, the United Kingdom and the Netherlands.

North Atlantic Treaty Organization (NATO) Air Campaign — *Operation IMAGE*

Canada has supported *Operation IMAGE*, which provides for the command and control of air assets over the Balkans region, since the Kosovo air campaign in 1999. Since the establishment of the Combined Air Operations Centre (CAOC) #5 in Poggio Renatico, Italy, in September 2001, Canada has reduced its contribution to this operation to three staff officers. Canada is still committed to this mission, with personnel on 20 days' notice to deploy.

United Nations Mission in Kosovo (UNMIK) — *Operation QUADRANT (Kosovo)*

The UNMIK mandate is to establish a civilian presence in Kosovo and develop an interim civilian administration to take over from KFOR. The Canadian Forces provided one officer tasked to coordinate the UNMO operations in the Pristina area. This mission was closed in August 2002.



NATO Mission to the Former Yugoslav Republic of Macedonia — *Operation FORAGE*

The objective of *Operation FORAGE* was to create an environment in which it would be possible to collect weapons from factions fighting in FYROM and Albania. The Canadian Forces provided one officer to serve with the follow-on NATO mission, *Operation AMBER FOX*. This contribution was terminated on October 1, 2002.

Middle East

United Nations Disengagement Observer Force — *Operation DANACA*

The UN mandate is to supervise the cease-fire between Israel and Syria, to supervise the redeployment of Israeli and Syrian forces, and to establish an area of separation according to the disengagement agreement. Canada provides 193 personnel to this mission on the Golan Heights, primarily for supply, transport, and maintenance support, as well as communications detachments to all UN Disengagement Observer Force units.

United Nations Peacekeeping Force in Cyprus — *Operation SNOWGOOSE*

The UN mandate is to maintain the cease-fire and help restore normal conditions. The Canadian Forces provides one staff officer to the UN headquarters in Cyprus.

Multinational Force and Observers — *Operation CALUMET*

The mandate of the Multinational Force and Observers in the Sinai, a non-UN mission, is to supervise the provisions of the peace treaty between Israel and Egypt in accordance with the Camp David Accord. Tasks include operating a series of observation and command posts, as well as verifying the adherence of the parties to the treaty. The Canadian Forces provides the Force Commander, Force Sergeant-Major and 28 headquarters staff for this mission. The headquarters is located in El Gorah, Egypt.

United Nations Truce Supervision Organization — *Operation JADE*

Canada's participation in this, the UN's longest standing mission, started in 1954. The UN mandate is to observe and maintain the cease-fire ordered by the UN Security Council and to assist the parties in supervising the application and observance of the General Armistice Agreement concluded separately between Israel, Egypt, Lebanon, Jordan, and Syria. Tasks include monitoring, supervising, and observing the cease-fire agreements, and providing observers in the Golan Heights, South Lebanon, and Sinai. The Canadian Forces provides nine personnel to this mission. This year marked the deployment of a Canadian Lieutenant Colonel as the Military Liaison Officer to the United Nations Office of the Special Coordinator in the Occupied Territories.

Arabian Gulf and Southwest Asia

The Multinational Coalition Against Terrorism — *Operation APOLLO*

The Canadian Forces have been involved in the elimination of the al Qaida and Taliban threat since October 2001, providing land, sea and air forces to the U.S.-led campaign against terrorism. Over 5,600 Canadian Forces members have been committed to *Operation APOLLO* and this effort. Canada established an organization called Canadian Joint Task Force South West Asia as part of our contribution to a coalition of several like-minded nations, establishing a forward headquarters co-located with the US Central Command in Tampa, Florida. Initially, Canada's contribution to coalition operations was six ships (a destroyer, four frigates and a replenishment ship), three CC-130 Hercules transport aircraft,



two CP-140 Aurora long-range maritime patrol aircraft, one CC-150 Polaris aircraft, the 3rd Battalion Princess Patricia's Canadian Light Infantry (PPCLI) Battle Group, and a component of JTF-2. The maritime contribution has since been reduced to two ships, the CC-150 Polaris was withdrawn in summer of 2002, the infantry battle group was withdrawn in July 2002, and the JTF-2 personnel were withdrawn in the fall of 2002.

United Nations Assistance Mission in Afghanistan (UNAMA) — Operation ACCIUS

UNAMA is a civilian-led mission responsible for the planning and conduct of all United Nations activities in Afghanistan, in coordination with the Afghan Transitional Authority. On invitation, Canada contributed one Lieutenant-Colonel whose primary duty is liaison with the International Security Assistance Force and coalition military personnel in Afghanistan, and to follow the developments of the demobilization, disarmament, and reintegration process.



Africa

United Nations Mission in Sierra Leone (UNAMSIL) — Operation REPTILE

The mandate of UNAMSIL is to cooperate with the Government of Sierra Leone and the other signatories in the implementation of the peace agreement, and to assist the Government of Sierra Leone in the implementation of the disarmament, demobilization and reintegration plan. The Canadian Forces provides five military observers to the UN Mission in Sierra Leone.

International Military Advisory and Training Team (IMATT) Sierra Leone — Operation SCULPTURE

The mandate of IMATT is to provide advice and training to assist the Government of Sierra Leone in rebuilding a new, effective Republic of Sierra Leone Armed Forces (RSLAF), which will be accountable to a strengthened Ministry of Defence. The Canadian Forces provides seven personnel to this United Kingdom-led effort.

United Nations Observer Mission in the Democratic Republic of the Congo (MONUC) — Operation CROCODILE

The mandate of this mission is to assist with the stabilization of the DRC through the disarmament, demobilization, reintegration, repatriation or resettlement process. The Canadian Forces provides eight staff officers to the UN Mission in the DRC.

United Nations Mission in Ethiopia/Eritrea (UNMEE) — Operation ADDITION

The mandate of this mission is to supervise the cease-fire between Ethiopia and Eritrea, to supervise the redeployment of Ethiopian and Eritrean forces, and to deploy UN military observers (UNMOs) along the temporary security zone. The Canadian Forces provides five UNMOs and a senior staff officer to UNMEE. The Canadian contribution to UNMEE will cease in June 2003.



Annex B: Quality of Life report

2003 annual report to SCONDVA on the Quality of Life initiatives in the Canadian Forces

Introduction

Both the Department of National Defence and the Department of Veterans Affairs remain committed to improving the social and economic aspects of life within the Canadian Forces. In 2002, three more of the 89 Standing Committee on National Defence and Veterans Affairs (SCONDVA) recommendations were completed bringing the total completed to 71. This year was also characterized by significant progress on a large number of the remaining recommendations, to the point that closure on most of the remaining 18 is anticipated in 2003–2004.

In the area of compensation and benefits, significant focus was on the continuous improvement of pensions, pay systems, allowances and the overall compensation strategy. Across all of these complex areas, the momentum is such that outcomes adapted to modern realities are well in the making and the recommendations are closer to closure.

In the accommodation arena, nine of the remaining 10 recommendations will be completed in the 2003–2004 timeframe. Recommendations 26 and 29 were completed in 2002 with the Canadian Forces Housing Agency response to the Chief of Review Services Report on the Health, Safety and Security Repair Program and the endorsement of the Canadian Forces Housing Agency Rationalization and Recapitalization Program Framework. The Regulatory Framework will formalize policy and procedural changes affecting all residential, training and transient accommodations. These policies will include suitability standards for single and family accommodation to protect the dignity, privacy and safety of the individuals and will be applicable across the CF for the various accommodation forms. Indeed, it is now anticipated that Treasury Board approval finalizing the status and authority of the Canadian Forces Housing Agency will be received in summer 2003. This approval will result in completion of the remaining recommendations.

This Annex is intended to provide a concise overview of the Canadian Forces' progress toward fulfilling the recommendations made by the Standing Committee. The Report provides an executive summary of the year's progress and is structured as follows:

- **Section I** — This section describes those initiatives completed in 2002.
- **Section II** — This section describes those initiatives that have not been completed and on which staff action is ongoing.
- **Section III** — The Veterans Affairs Canada section describes those initiatives that, although considered complete from the Department of National Defence's perspective, are still ongoing within Veterans Affairs Canada.
- **Section IV** — This section provides details on the status of each of the SCONDVA recommendations completed in a previous year for which there is a requirement to report annually.



Section I — Initiatives completed in 2002

Recommendation 19. That the Department of National Defence adopt a similar approach, in line with the domestic Cost of Living Allowance, to the cost-of-living entitlements for Canadian Forces members serving overseas. The Department should report to SCONDVA within a year.

The Military Foreign Service Instructions have been amended to accomplish this objective.

Recommendation 26. That the Canadian Forces Housing Agency must provide adequate and efficient services, including emergency repairs, for Permanent Married Quarters slated or likely to be abandoned in the next few years because of the closure of a base, the transfer of military units or other reasons until alternative housing becomes available.

This recommendation is now considered complete even though the estimated completion date for disposal has been extended to 2008. Subsequent disposal targets beyond the Housing Requirements Study numbers will be determined as part of future site-by-site validations of the housing requirement. Future validations will be conducted in accordance with the Rationalization and Recapitalization Program Framework, which was approved-in-principle in January 2003.

Recommendation 29. That the Canadian Forces Housing Agency should proceed with the task of determining the best way of providing modern and environmentally efficient Permanent Married Quarters, in consultation with Base Commanders and the Department, which should report on an annual basis to SCONDVA. The Agency should keep in mind the need to:

- a. tailor the housing to the specific requirements of each base;**
- b. select the most cost-effective option available even if this involves the construction or leasing of homes off the bases and arrangements with private developers; and**
- c. ensure that the housing remains suitable and affordable regardless of the options selected.**

The Rationalization and Recapitalization Program Framework addresses these concerns. The Framework ensures a consistent approach to the cost-effective, efficient life-cycle management of the Crown housing portfolio as it evolves in keeping with the Department of National Defence and the Canadian Forces objectives. Site-specific accommodation initiatives will be programmed and implemented as part of a national strategy and as funds become available.



Section II — Ongoing initiatives

Recommendation 6. That the Department of National Defence pursue initiatives to put in place a real pension plan for the Reserves and report annually to SCONDVA on the progress achieved.

The Reserve Force Pension Project has been combined with the *Canadian Forces Superannuation Act* Review Project to establish the Canadian Forces Pension Modernization Project. The new pension plan will provide pension coverage for both full and part-time members of the Canadian Forces with the applicable plan details contained in regulations. Evaluation of the administrative systems and processes that will be required to support new pension arrangements is underway. Overall, work is on schedule and it is expected that legislative and regulatory approvals will be received before the end of 2004 and that pension administration systems will be in place for the implementation of the modernized Canadian Forces pension plan by 2006.

Recommendation 8. That, by December 31, 1999, as soon as practicable, a common pay system be adopted for the Regular Force and the Reserves.

Work on the integration of the Reserve Force pay system into the Regular Force pay system began in 2001. In 2003–2004, work will begin on a review of how personnel administration and pay services are provided to the Reserves. Once this is completed and requirements analyzed, milestones and expected target dates for an integrated total compensation package will be determined.

Recommendation 10. That the Department of National Defence, in recognizing that overtime is a reality of military service, re-examine the valuations of the overtime factor in order that they properly reflect the workloads experienced by Canadian Forces personnel and report to SCONDVA on an annual basis. The calculation for overtime should remain integrated to the total compensation formula.

In accordance with Treasury Board direction, the Department has been required to undertake a fundamental review of Canadian Forces compensation strategy. Part of this review will include a review of the Total Compensation model with the aim of validating, updating and simplifying the methodology. Any changes to the overtime factor as part of the model will be considered in conjunction with this larger review and any changes to its value would have to be negotiated at that point with Treasury Board. The compensation strategy review is expected to be completed by June 2003.

Recommendation 13. That the Canadian Forces rethink within a year the current relevance of military messes with a view to demonstrating their utility, particularly to younger members. Mess dues should be tax deductible. A report should be made to SCONDVA on an annual basis.

Environmental positions regarding the future of messes were developed in 2002. Recommendations on the way ahead in terms of central and environment-specific policies will be formulated and presented for approval in 2003.



Recommendation 15. That the appropriate level for the new Canadian Forces Station Alert allowance be significant and therefore set at rating level IV of the Post-Differential Allowance.

A review of the Alert Allowance will not be undertaken until the review of all environmental allowances has been completed in June 2003.

Recommendation 17. That the Department of National Defence move to a bi-weekly pay system by December 31, 1999

In 2002, analysis of the requirements for and benefits of converting to a bi-weekly pay regime was undertaken. In 2003, details of the costs and impacts of the proposed changes on the pay system will be identified. It is expected that a final decision on the implementation of this initiative will be made by December 2003.

Recommendation 20. That the Government appoint an independent review panel, at least once every five years, to examine, and make recommendations with regard to the appropriateness of compensation and benefits provided to the Canadian Forces. The panel should report to SCONDVA.

Options for an external Military Compensation Review Committee were investigated in 2000 but no fully satisfactory methodology was determined. In 2001, Treasury Board directed that the Department of National Defence review its basic compensation methodology and make recommendations on a way ahead. As part of this review, discussions on an appropriate internal dispute resolution process consistent with the legislated authorities for Canadian Forces pay and benefits will be held with the Treasury Board. Results and recommendations are expected in 2003. Specific recommendations on a dispute resolution methodology will flow from these results.

Recommendation 21. That the Department develop and adopt a policy to ensure that personnel at all bases and major facilities have access to well-maintained single quarters. An annual progress report should be made to SCONDVA.

Recommendation 22. That a common standard for the design and operation of modern single quarters at all bases and stations of the Canadian Forces be established and that facilities not meeting this standard should be upgraded or replaced as soon as possible. SCONDVA should receive a progress report within a year.

Recommendation 23. That departmental planners and contractors must give a high priority to the protection of the dignity, privacy, and safety of individuals in the design and administration of single quarters. SCONDVA should receive a progress report within a year.

The Department of National Defence Accommodation Policy was promulgated in June 1999. The long-term vision for all accommodation needs was promulgated in January 2003. The supporting Regulatory Framework of orders and directives are under review and should be finalized in September 2003.



Accommodation standards have been developed and will be reflected in the updated Departmental Regulatory Framework. Future upgrades and replacement of existing facilities incorporating these new standards will proceed as priorities are established and funding allocated. New accommodation standards developed to address dignity, privacy and safety issues will also be reflected in the Departmental Regulatory Framework.

Recommendation 30. That the Canadian Forces Housing Agency be given an expanded mandate in order to undertake any option it determines to be the most cost-efficient to provide housing and housing services for military bases.

Recommendation 31. That the Department of National Defence be allowed to use the funds generated by the sale or long-term leasing of Departmental lands and facilities or to swap land with private developers primarily to help the Canadian Forces Housing Agency finance the construction or leasing of Permanent Married Quarters.

A submission to Treasury Board requesting an expanded mandate for the Canadian Forces Housing Agency is expected to be approved in 2003. The submission will include provisions for the use of proceeds from land transfers, sales and disposals to fund new housing initiatives.

Recommendation 32. That the Department be empowered to use the proceeds from the sale of capital assets primarily to help the Canadian Forces Housing Agency finance the construction or leasing of Permanent Married Quarters. Indeed, we further recommend that revenues generated by the sale of departmental assets be retained by the department in order to enable it to meet other requirements as well.

Retention of revenues generated by the sale of departmental realty assets is approved. The use of such proceeds by the Canadian Forces Housing Agency to finance future accommodation initiatives will be included in the submission to Treasury Board.

Recommendation 33. That the Government grant the Canadian Forces Housing Agency a repayable low-interest loan to help it proceed with its business. The Canadian Forces Housing Agency should obtain other revenues through long-term lease arrangements with contractors.

The Canadian Forces Housing Agency mandate submission to Treasury Board includes provisions for innovative financing arrangements for future accommodation initiatives. This could include low-interest government loans and leveraging realty assets to generate revenue.

Recommendation 37. That a program be developed to facilitate the leasing by the Canadian Forces Housing Agency of homes owned by military personnel for use as Permanent Married Quarters when homeowners are posted to another region of the country or overseas. The status of the program should be reported to SCNDVA on an annual basis.

This recommendation may be met as part of the future opportunities and services referred to in the response to Recommendation 30. It is also consistent with the departmental goal identified to have a Universal Service Provider that can respond to all the accommodation needs of Canadian Forces members and their families.



Recommendation 38. That the contracts with moving companies be modified to allow much more time for individuals to report and document damages to possessions resulting from a move. These contracts should be reviewed on an annual basis.

Amendment of the Furniture and Effects contracts to extend the time for reporting loss and/or damage beyond the time when the Furniture and Effects are no longer in the carrier's possession is not viable from the perspective of carrier legal and insurance liability. However, Director Logistics Business Management will continue to work with carriers on a case by case basis to ensure that reasonable claims for loss/damage clearly attributable to the move by the carrier are not denied solely on the basis that they were not reported immediately upon delivery.

Section III — Veterans Affairs Canada initiatives

Recommendation 43. That the recommendations of the McLellan report concerning the training of leaders on care of injured issues be implemented as quickly as possible and that other measures be taken to inculcate leaders on the importance of caring leadership. A report should be made to SCONDVA on an annual basis.

The Officer General Specification and Non-Commissioned Member leadership courses have been expanded to include caring leadership and training standards. The majority of the Course Training Plans have been produced, and the remainder are expected to be completed by the end of 2004.

Recommendation 44. That programs be developed to make public and private sector corporations more aware of the skills and experience offered by individuals leaving the Canadian Forces and to help facilitate their hiring of personnel who must end their military careers prematurely because of serious injuries or illness.

The Public Service Commission has approved priority hiring for personnel injured in designated Special Duty Areas. The Department of National Defence request to the Public Service Commission to expand this priority to personnel injured in domestic operations as well as those in inherently dangerous occupations such as search and rescue and explosives ordnance disposal has been denied. The Public Service Commission has agreed, however, to consider a request to amend the Department of National Defence Employment Equity Program to include these individuals. Requests to provide similar hiring priority have been sent to Provincial Public Service Commissions and discussions have taken place with several provinces. Private industry has also been approached to assist in this initiative.

A Transition Assistance Program has been established within the Department of National Defence/Veterans Affairs Canada Centre to provide individual employment assistance to Canadian Forces members who are medically released. Over 500 former CF members who were medically released are registered with the program, and the number continues to grow.

Recommendation 46. That the Departments of National Defence and Veterans Affairs establish a single access source of assistance, research, and information to individuals suffering severe and debilitating illnesses since their service during the Persian Gulf War.



Recommendation 48. That the importance of programs to assist individuals dealing with the effects of Post Traumatic Stress Disorder and other types of stress be reaffirmed and that their funding be reinforced.

A joint announcement by the Veterans Affairs Canada Minister the Honourable Dr. Rey Pagtakhan and the Department of National Defence Minister the Honourable John McCallum on July 3, 2002 launched an initiative to improve accessibility to mental health clinical services. The following four pillars form the basis of the initiative: partnership of networks, educational forums, continuing education program and research. These programs and services are designed to meet the needs of Canadian Forces members and veterans and their families who are suffering from Post Traumatic Stress Disorder and other operational stress injuries resulting from their military service.

The Partnership of Networks consists of the Department of National Defence eight Operational Trauma and Stress Support Centres, Veterans Affairs Canada's Ste. Anne's Centre and several mental health clinics being established at selected Veterans Affairs Canada Priority Access Bed Facility sites in 2003. The networks will provide client assessment, treatment and follow-up services to Canadian Forces members and veterans and their families. The clinics will also include an outreach program that will provide client assessment, treatment and care planning support to community health professionals.

Educational forums on mental health will provide opportunities for educational outreach, professional learning and mediums in which to share and discuss best practices and current research in assessment and treatment. Parkwood Hospital in London, Ontario held the first educational forum in May 2002. Ste. Anne's Centre held the second such forum in May 2003.

The initiative also includes a research component which focuses on assessment and treatment modalities and root causes of psychological injuries. Research in support of mental health, including Post Traumatic Stress Disorder and other Operational Stress Injuries has been identified as a priority for the Veterans Services Research Directorate. The Department of National Defence has invited Veterans Affairs Canada to participate on the Department of National Defence Health Services Research and Development Council with full membership.

Veterans Affairs Canada is also developing a Continuing Education Program for health professionals. The program will allow health professionals serving Veteran's Affairs Canada clients to increase their knowledge and develop their skills required for assessment and treatment of Post Traumatic Stress Disorder and other operational stress injuries. Licensed health professionals who are governed by their provincial regulatory bodies will be eligible for entry into the program.

The Department of National Defence, in partnership with Veterans Affairs Canada, launched the Operational Stress Injury Social Support Project in May 2001. The project's mission is to establish, develop, and improve social support programs for Canadian Forces members, veterans, and their families affected by operational stress injuries. Project deliverables include the development of a peer support network and, in the longer term, bringing about cultural change, improving pre-deployment training and developing services to better address the needs of both members and veterans with operational stress injuries and their families.



Recommendation 49. That the requirements of Reservists, especially those who have served on peacekeeping operations, for assistance in dealing with the effects of Post Traumatic Stress Disorder and other types of stress be addressed as fully as possible.

This recommendation was completed in April 2000. In addition to the activities described under recommendation 48, in 2003–2004 a national strategy for reaching out to Reservists will be implemented. Serving and former members of the Reserves will be made aware of the Veterans Affairs Canada services and benefits to which they may be entitled.

Recommendation 52. That the Departments of National Defence and Veterans Affairs together with other agencies develop streamlined procedures to ensure quick and effective transfer of all relevant records of personnel leaving the Canadian Forces. A report on the progress achieved should be made to SCONDVA within a year.

The Canadian Forces has established case managers on the majority of bases. Veterans Affairs Canada conducted a Transition Coordinator Pilot Project in 2001 in which transition coordinators acted as a bridge between Canadian Forces case managers and the Veterans Affairs Canada District Office. Following a successful pilot project, the Transition Services Initiative was created.

The Transition Services Initiative is aimed at assisting Canadian Forces members to achieve a successful transition from military to civilian life. Joint analysis regarding the need for further sites or additional services will be conducted. The interface between the two Departments on behalf of common clients will greatly help to streamline procedures and ensure quick and effective transfer of all relevant records of members leaving the Canadian Forces.

Recommendation 53. That the Departments of National Defence and Veterans Affairs and other agencies change their procedures to minimize the duplication of medical examinations and other requirements during the processing of disability pension applications. A report should be made to SCONDVA within a year.

A Working Group composed of the Department of National Defence, Veterans Affairs Canada, Human Resources Development Canada and Service Income Security Insurance Plan continues to work on this recommendation. The release medical examination will be moved to the earliest possible stage in the release process that will be beneficial to the member; Canadian Forces case managers and Veterans Affairs Canada Client Service Teams staff will coordinate pension applications and release medical examinations; releases medical examinations will be provided to pension programs as soon as they are completed instead of after the assignment of medical categories; and the feasibility of a standardized medical release examination to accommodate all disability program needs is still being considered as a longer-term potential improvement.

Recommendation 54. The Department of Veterans Affairs pursue its vigorous actions to reduce as much as possible the time necessary to process disability pension applications and appeals. A report should be made to SCONDVA on an annual basis.

A reform of disability pension adjudication was launched in June 2001, and resulted in reduced backlogs. Since that time the annual number of pension adjudications increased by approximately 4,000 from 2000–2001 to 2001–2002.



The Table of Disabilities and Entitlement Guidelines Project is currently underway with a goal to improve the quality, consistency and timeliness of disability pension decisions and to improve the transparency of the decision-making process within the Disability Pension Program. The developmental portion on the key deliverables has been completed in March 2003 and the work on the Table of Disabilities under the status of “project” has been concluded. A five phase approach to incrementally implement the majority of Table deliverables, including the revised “assessment chapters,” will be used over a period of approximately 24 months.

A total of 16 additional Entitlement and Eligibility Guidelines are presently in close-to-final draft and will shortly be added to the 35 already implemented.

Recommendation 55. That legislation be amended so that major deployments within Canada to deal with national and regional emergencies be designated as Special Duty Areas for disability pension purposes. Measures should also be taken to ensure that personnel who suffer major injuries while on duty in Canada have access to disability pension benefits.

The *Pension Act* provides for benefits for members of the Canadian Forces disabled as a result of service-related injuries, regardless of where those injuries occur. Amendments to the *Pension Act* passed in October 2000, provides for these benefits to be paid to still-serving members. Currently, Veterans Affairs Canada is collaborating with the Department of National Defence to develop options that would provide coverage for Canadian Forces members under subsection 21(1) of the *Pension Act* when such members are deployed to operations, inside or outside Canada, in which they are exposed to risk similar to the risk encountered in Special Duty Areas. For routine domestic deployments, where it can readily be determined whether or not a disability is directly attributable to military service, members will continue to be covered under subsection 21(2) of the *Pension Act*.

Recommendation 57. That programs be developed to better inform military personnel on disability compensation and other benefit entitlements for Reserve Force members. SCONDVA should receive a report on this on an annual basis.

Veterans Affairs Canada has been placing considerable emphasis on educating the Canadian Forces community about departmental benefits and services. Outreach activities take place at the district, regional and head office levels. Veterans Affairs Canada and the Department of National Defence have established a joint communications working group to coordinate communications to Canadian Forces members. Also, Veterans Affairs Canada is developing a framework for reaching out to Reservists. This framework will be supported by a comprehensive communication strategy, which incorporates district, regional and head office outreach activities. A brochure and a video, both entitled *Veterans Affairs in Service to the Canadian Forces*, are being used to inform Canadian Forces members and veterans about Veterans Affairs Canada programs and services.

One of the most direct communication methods is briefing Canadian Forces members on bases across the country. Veterans Affairs Canada participates in most pre- and post-deployment briefings and Second Career Assistance Network seminars.



Information about Veterans Affairs Canada programs, benefits and services is communicated through the Department of National Defence communications products such as *The Maple Leaf*, as well as Veterans Affairs Canada's new client newspaper, *Salute!*, the Veterans Affairs Canada Web site and, specifically, the page relating to Canadian Forces clients. News is also disseminated through an electronic distribution network to Canadian Forces stakeholder group publications.

Section IV — Recommendations requiring annual report to SCONDVA

This section contains all the SCONDVA recommendations that were completed in previous years; but for which SCONDVA asked for a report on an annual basis.

Recommendation 9. That the Department of National Defence immediately review the Military Factor to ensure that both the criteria and values assigned properly reflect the uniqueness of military service and the results be reviewed by SCONDVA on an annual basis.

This recommendation was completed in April 1999. Both the factor components and their relative and actual values were reviewed and updated. The application and rates for the Military Factor continues to be reviewed on an on-going basis as part of regular Canadian Forces compensation reviews.

Recommendation 39. That the Department of National Defence or some other agent such as the Canadian Forces Housing Agency, assist members of the Forces in making claims for compensation of damages caused by movers during a move. A report to SCONDVA should be made on an annual basis.

This recommendation was completed in April 2001. See recommendation 38 for more details on continuing initiatives on this topic.

Recommendation 58. That guidelines be developed to govern the operation of rear parties and other unit support groups in order to ensure a standard level of support to families of both Regular Force and Reserve personnel during deployments of units. These measures must also take into account the need for access to services in both official languages for military personnel and their families. Special attention should be paid to the needs of personnel from other units deployed overseas with larger units. A report should be made to SCONDVA on an annual basis.

This recommendation was completed in February 2001. A Defence Administration Order and Directive describing the standards applicable to the formation and activities of Deployment Support Groups has been developed to ensure that the families of all deployed personnel are provided with the same level of support and service across the country. Anecdotal reports from stakeholders suggest that the Military Family Resource Centres have provided a full range of deployment services and, in particular, provided distinctly high quality support to *Operation APOLLO*. Difficulty reaching Reserve Force personnel and their families remains an issue, and Military Family Resource Centres are working to formulate innovative solutions.



Recommendation 59. A clearly defined policy on compassionate leave and travel arrangements be developed to ensure that military personnel and their families can be certain of being able to travel in an appropriate fashion as soon as possible whenever family emergencies occur. When compassionate leave is requested, Padres and Commanding Officers should consult on appropriate arrangements. A report to SCONDVA should be made on an annual basis.

Effective June 1, 2000, compassionate travel at public expense is authorized due to the death or serious illness of the member's or the spouse's child, parents or siblings. The program applies to all Regular Force members of the Canadian Forces and their spouses, to Reserve Force members on Class B or C service and their spouses who were entitled to a cost move, and to Reserve Force members who are on duty away from their parent unit.

Recommendation 60. The commitment to support Military Family Resource Centres be reaffirmed and that policies governing their operations be reviewed to ensure that the implications of new housing policies and the changing complexion of the military community on and off bases are taken into account. The proposed measures must also take into account the need for access to services in both official languages for military personnel and their families. A report should be made to SCONDVA on an annual basis.

The Canadian Forces has reaffirmed its commitment to Military Family Resource Centres and has conducted a review to maximize the effectiveness of the Military Family Support Program. The resulting 175 recommendations have been prioritized and will be implemented over a three-year period. Twenty-eight of 44 Military Family Resource Centres currently provide all services in both official languages. The provision of services in both official languages will be articulated as a non-negotiable criterion within the Memorandum of Understanding between the Department and the Military Family Resource Centres slated for implementation in 2004–2005.

Recommendation 61. That the Canadian Forces develop a military family policy to ensure better co-ordination and co-operation between all the elements of the family network and to guide decisions on matters which affect the quality of life of military families. That this policy takes into account the need for access to services in both official languages for military personnel and their families. A report should be made to SCONDVA on an annual basis.

This recommendation was implemented in February 2001. A Canadian Forces Family Policy has been developed and was published as Defence Administrative Order and Directive 5044-1 entitled *Families*. The policy recognizes the military family relationship, reiterates the Canadian Forces commitment to the family, and describes the core principles and areas of responsibility for program delivery. As part of *Operation APOLLO* After Action Review, all Canadian Forces policies as they relate to families, including Defence Administrative Order and Directive 5044-1, are undergoing review with a view to amending where necessary.



Recommendation 68. The Department develop a program to encourage greater awareness among local and national employers of the problems faced by military spouses seeking jobs and to explore opportunities to make more jobs available. A report should be made to SCONDVA on an annual basis.

This recommendation was implemented in October 1999. Full-time or, where appropriate, half time Employment Assistance Coordinators were established at all Military Family Resource Centres in April 1999. Military Family Resource Centres Employment Assistance Coordinators have conducted over 5000 client interviews and over 8000 follow-up interviews with spouses who were seeking employment and/or academic upgrading opportunities during the 2001–2002 fiscal year. Over 2500 spouses were assisted with preparing and updating their resumes. The military spouses who have availed themselves of the services of the Employment Assistance Counsellor have highly praised this program.

Recommendation 72. That second language training policies be amended to ensure that military spouses can have access to language courses on bases when requested. A report on developments should be made to SCONDVA on an annual basis.

This recommendation was implemented in February 2001. Since its introduction over 6000 people have participated in over 1000 second language training courses. Over 13,000 hours of child care during a one-year period were provided to enable spouses to attend the language courses. There is strong evidence that the Military Family Resource Centres have been able to effectively meet the language training needs of their clients.

Recommendation 75. The Department of National Defence examines the feasibility of adopting a longer planning cycle whereby members could be given greater notice of their next posting. A report should be made to SCONDVA on an annual basis.

This recommendation was completed in September 2000. The Director General Military Careers continues to examine posting practices with the result that planning cycles and posting notices may continue to improve. Director General Military Careers strives to provide the best possible balance between the needs of members and families and the needs of the Canadian Forces when it comes to personnel movements.

Recommendation 81. The Second Career Assistance Network be made available to Canadian Forces personnel at an earlier date in their careers and that adequate funding be sustained in order to ensure its effectiveness. A report should be made to SCONDVA on an annual basis.

This recommendation was completed in October 2000. Improvements to the Personal Enhancement Programme's Second Career Assistance Network have been initiated to address the timeliness and funding problems identified in this recommendation. Effective April 1, 2001, significant additional recurring funds and resources were allocated to the Second Career Assistance Network resulting in an increase in the number of seminars as well as the introduction of new Long Term Planning workshops to be run on Bases/Wings each year. These workshops are aimed at providing Canadian Forces personnel with less than five years of service of the issues they need to address to prepare



for transition to civilian life. Access to Second Career Assistance Network seminar content has been improved by the creation of videos and CDs addressing the various seminar topics. These have been disseminated to each of the 17 Bases/Wings that provide Second Career Assistance Network services. Additionally, a Second Career Assistance Network booklet that details all the key relevant information covered by the seminars has been produced and distributed to Bases/Wings. Both videos/CDs and the booklet will also eventually be placed on-line. Finally, the necessary policy framework that is needed to support the aforementioned changes is being formulated.

Recommendation 82. The Canadian Forces give consideration to increasing the number of University Training Plan Officers positions made available each year and consider expanding the Royal Military College's Distance Education Program. A report should be made to SCONDVA on an annual basis.

This recommendation was completed in October 2000. The University Training Program for Officers program remains one of the means for an officer to pursue an undergraduate degree. The Department has also introduced additional measures to improve the access to university training for officers. For example, the benefits for academic upgrading have been expanded for serving Regular Force officers such that those who start and complete an undergraduate (baccalaureate) degree credit course after September 1999 are eligible to request reimbursement of one hundred percent of the tuition and other mandatory costs. In addition, each of the Environmental Commanders has initiated separate programs to send selected officers to university on a full-time basis to complete undergraduate degree programs.

The Royal Military College of Canada, Division of Continuing Studies offers degree program courses to all members of the Canadian Forces (Regular, Reserve, civilian employees and spouses of Canadian Forces members). The Minister's Monitoring Committee indicated that they "have found the work being undertaken at RMC commendable, and feels compelled to remark on the dedication, hard work and genuine concern for the CF officer corps that individuals at the institution have exhibited."

Recommendation 85. The Canadian Forces intensify their efforts in ensuring that all military members are aware of what constitutes a poisoned work environment for women and visible minorities and what constitutes harassment. A report should be made to SCONDVA on an annual basis.

Recommendation 86. The Canadian Forces continue to emphasize and make known to all members the serious nature and consequences of not respecting harassment and discrimination policies. A report should be made to SCONDVA on an annual basis.

These recommendations were completed in June 2000. The Department of National Defence and the Canadian Forces introduced the harmonized Harassment Prevention and Resolution Policy and supporting guidelines in December 2000. Since then, a number of initiatives have been undertaken to facilitate implementation of the policy. Related training has been revised to reflect the policy changes and additional courses have been developed. Moreover, the Harassment Complaint Tracking System has been designed to electronically capture statistical information related to harassment. This system will also permit the progress monitoring of complaints and will highlight trends within units and the organization.



An Employment Systems Review of all policies, practices and programs will be conducted starting in January 2003 to determine whether there are any barriers towards the full and fair employment of all designated group members in the Canadian Forces. A revised Employment Equity plan will be promulgated to include Employment System Review recommendations and to address all representation gaps identified following the completion of the workforce analysis. This plan will continue to ensure fair treatment of all persons based on merit and capability, while supporting teamwork, unit cohesion, and ultimately operational effectiveness.

Recommendation 87. The Department of National Defence make every effort to ensure that, in the future, there be no supply problems with respect to proper fitting and issuance of clothing and personal kit. Uniforms, environmental clothing, and specialized kit such as boots for tank crews must suitable for the work and training undertaken and be issued when required. A report should be made to SCONDVA on an annual basis.

This recommendation was completed in August 2000. The Canadian Forces continues to enhance its supply capability. The air force initiated a new omnibus project — Air Force Clothing and Equipment — Millennium Standard that will provide operational clothing, handwear and footwear for all 24,000 regular and reserve air force personnel, including non-air force personnel employed at wings. This project will coordinate with the army's Clothe the Soldier program to ensure commonality across the Canadian Forces wherever possible. Also, the Canadian Forces is introducing a body scanning system to assist in measuring military personnel for a more accurate uniform fit. This system will reduce the high return rate because of ill-fitting uniforms and establish an anthropometrics database that will facilitate future developments and acquisition of personal clothing and equipment.



Annex C: Capital procurement

CF-18 Modernization

The CF-18 modernization program comprises several projects to modernize the avionics, command, control and communications, sensors, training and weapons suite of a fleet of 80 aircraft. CF-18 modernization will ensure that the Canadian Forces maintains the capability to conduct aerospace control and contingency operations throughout the CF-18 estimated life expectancy of 2017-2020. Out of 17 projects included in this effort, nine are in implementation. Initial operational capability of the first elements of the program is scheduled for the fall of 2003. Two prototype aircraft have been successfully upgraded with the phase one modifications, and production work has been initiated at Bombardier in Mirabel, Québec. All CF-18 modernization projects currently in implementation are on schedule and on budget.

Strategic Air-to-Air Refuelling Capability

A joint project is underway with the German Air Force (GAF), which will see modification of two of Canada's CC-150 Airbus aircraft into the air-to-air refuelling tanker configuration. Accomplishments in 2002-2003 include contracts signed in October and CF critical design review completed in December. The GAF prototype tanker was inducted in November 2002 for conversion and is progressing well at EFW Dresden. The two modified CF tankers will enter service in August 2004 and February 2005.

Canadian Search and Rescue Helicopter Project

The new search and rescue helicopter, which replaces the CH-113 Labrador fleet, was released to service in July 2002 and commenced operational service in Comox and Gander in August 2002 and November 2002, respectively. Initial aircrew training for 55 pilots and 32 flight engineers was completed in March 2003. The in-service support contract is in place, providing complete Cormorant fleet integrated logistics support including maintenance and engineering. A Cockpit Procedures Trainer was contracted. Seven aircraft were delivered in 2002-2003, bringing the total to 12. The last three aircraft will be delivered by July 2003.





Aurora Incremental Modernization (IMP)

The Aurora long-range patrol aircraft provides essential maritime patrol and long-range surveillance for the Canadian Forces and supports a number of other government departments with surveillance and information gathering. The omnibus project comprises multiple elements to refurbish and replace systems to enhance the capability of the Aurora, particularly in its role as an intelligence, surveillance and reconnaissance

platform. The Aurora Incremental Modernization Project (AIMP) is to be phased in over a ten-year period in a sequence of four production block upgrades. The first five aircraft have now been inducted for Block 1 upgrades at IMP Halifax and the first aircraft is scheduled for a return to fleet service in early May 2003. The prototype aircraft for Block II upgrades (Navigation and Flight Instrument Modernization) was inducted at IMP in October 2002 and will begin flight test in September 2003. This aircraft is expected to return to service in early 2004. Design and trade off studies for Block III are currently underway and the project management office expects that the prototype aircraft will be inducted in fall of 2004.

Maritime Helicopter Project

The purpose of this project is to acquire a maritime helicopter fleet large enough to support current and projected operational requirements. In August 2000, the Government announced its approval to initiate the acquisition process and in December 2002, the Minister announced a revised procurement strategy that will proceed with a single Request for Proposal for the supply of fully equipped maritime helicopters bundled with a long-term in-service support contract. The Chief of the Defence Staff fully supports this revised strategy, as it has the potential to provide this replacement capability more quickly and at a lower cost than under a split contract. Any of the candidates that industry has proposed will compete for the Maritime Helicopter Replacement, and that satisfy the specifications of the Statement of Requirement, would be fully acceptable to the Canadian Forces.

Military Automated Air-Traffic System Project

The Canadian Forces will consolidate seven military air traffic control units into new military terminal control centres that are co-located with NAVCANADA facilities in Edmonton and Montréal. Co-location with NAVCANADA, the provider of civilian air traffic services in Canada, will allow us to collaborate in the operation and support of a national automated air traffic system. Recent completion of a successful operational test in Comox, British Columbia has demonstrated that MAATS installation can proceed before the NAVCANADA Canadian Automated Air Traffic System (CAATS) is fully deployed. MAATS software refinements and final site preparations are underway, with the consolidation and transition to MAATS currently scheduled for 2004.





Region/Sector Air Operations Centre Modernization Project

This project is intended to modernize the air defence processing and display system of the Canadian Air Defence Sector located at 22 Wing, North Bay, Ontario. It will provide easy to use, state-of-the-art, automated equipment to air defence operators and technicians, as well as permit future expansion. The replacement system will be installed in a new above ground complex and the existing underground facility will be decommissioned. Development was completed and testing began on the software modifications necessary for interoperability with other NORAD sectors and NORAD Headquarters. In addition, an engineering testbed, known as the Virtual Above Ground Facility, was installed at North Bay. The testbed is a scaled down version of the final system, which integrates inputs from 54 radars across Canada into an air picture displayed on seven operator workstations.

Short Range Anti-Armour Weapon (Heavy)

The Short Range Anti-Armour Weapon (Heavy) project acquired the ERYX weapon systems (firing posts and thermal imagers and simulators), the ammunition, the indoor and outdoor simulators and all the corresponding logistic support. The aim of this project was to restore the short-range anti-armour capability in the range of 50 – 600 meters to counter the introduction of reactive, laminated and composite armour. The project was completed on March 31, 2003, coming in significantly under budget.

Weapons Effects Simulation

The Weapon Effects Simulation project will deliver a live simulation system that permits soldiers to simulate their weapons fire accurately with lasers and radio signals during force-on-force collective training exercises. Miniature computers integrated into every soldier's equipment and onto all vehicles, will give soldiers and their commanders instant feedback on the results of each engagement. The system will automatically capture and record engagement results for objective evaluation. Observers and analysts will prepare and deliver detailed after-action reviews that highlight performance strengths and weaknesses. The system will also enable senior commanders to confirm that their troops have reached the highest levels of readiness required for deployment to operations. Delivery will be complete by 2006, and will include one fully instrumented battle group suite for the Canadian Manoeuvre Training Centre in Wainwright, Alberta, one non-instrumented combat team suite to support individual training courses at the Combat Training Centre in Gagetown, New Brunswick, four non-instrumented dismounted infantry company suites for low-level garrison training, and ten years of contractor conducted logistics support. Weapons effects simulation is the Army Commander's number one training priority.

The key events during the fiscal year were the issue of the Request for Proposal documents, the bid evaluation, and finally the contract award on February 28, 2003, after Treasury Board contract approval. The procurement strategy worked well and allowed a fair competition, as the project received six proposals from industry. This complex procurement was based on a Total-Package procurement (Equipment and Lifetime support), with the use of many other innovative concepts, such as Best Value selection methodology, Commercial Off-the-Shelf (COTS) procurement, performance based support (Availability > 90 percent), compensation program (incentive and disincentive), Past Customer Performance evaluation and the use of new IT tools for the evaluation process, which have allowed the Department and the Army to have the best value possible.



APC Replacement Project

The Armoured Personnel Carrier (APC) replacement project is fielding a fleet of modern, wheeled, armoured personnel carriers to meet the army's operational requirements. A total of 651 vehicles are being procured: 494 infantry section carriers, 47 forward observation officer/mortar fire controller vehicles, 39 engineer vehicles, and 71 "TOW Under Armour" vehicles. A computer-based crew gunnery trainer is also being procured. To date, all Infantry Section Carriers and Forward Observation Officer (FOO) Vehicles have been delivered which included 11 FOOs in 2002–2003. Delivery of the TOW Under Armour and Engineer variants will begin in 2004–2005.

Land Force Command System (LFCS)

The LFCS project is currently fielding a modern command and control capability to the Canadian Army. This capability includes equipping command-post vehicles with: fully 'ruggedized' computers with flat panel displays, vehicular 100MB LAN, and a command and control software application. The current version of the software application is currently running on Windows NT and is being migrated to Windows 2000. LFCS will be operating on the Integrated Radio and Intercommunications System (IRIS) tactical communication system and in garrison is fully interoperable with other applications. This will allow commanders and staff officers from brigade HQs and below to be equipped with the latest technology for command support. The system was delivered to 2 CMBG in May 2002 and all fielding should be completed by December 2003.

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

The Land Force currently possesses a number of sensors and maintains defined intelligence and command processes, but these are not integrated. An integrated ISTAR capability, with updated, as well as new sensors, robust data communications and intelligence fusion tools is required for provision of accurate situational awareness to commanders at all levels and support to soldiers. The ISTAR omnibus capability project will provide commanders and their staffs with tools to best analyze and understand the information presented to them and aid the decision process. The project will also modernize Electronic Warfare equipment, procure Unmanned Aerial Vehicle sensors, Counter-Bombardment Target Acquisition systems and integrate existing sensors within the Land Force Communications and Information system, which will be augmented by new data communications facilities. The project entered definition phase in 2003 and is scheduled to begin implementation in 2005–2006.

M113 Life Extension Project

This project will extend the life and modify the roles of up to 289 tracked, armoured personnel carriers. The updated vehicles will fulfill a variety of combat support and combat service support roles with command post, engineer, maintenance, recovery, personnel, and tactical cargo variants. The addition of turrets or remote weapon systems will provide the capability to use crew-served weapons from under armour. The major upgrades to capacity, mobility, and protection, combined with a "non-ageing" aluminium alloy chassis, will make the M113 LE vehicles viable for at least another 20 years. The modernized vehicles will be fielded in the 2002–2006 timeframe. Thirty-six vehicles were completed during 2002–2003.



Wheeled Light Armoured Vehicle Life Extension Project

This project will extend the life and modify the roles of up to 473 wheeled, armoured vehicles. Currently used primarily as infantry section carriers, the upgraded vehicles will fill a wide variety of functions including ambulances, command posts, electronic warfare, gun tractors, mortar carriers, radio re-broadcast, vehicle repair, maintenance and recovery, and “very short range air defence.” The installation in some vehicles of a sophisticated remote weapons system will provide the protective capability to use the crew-served weapon from under armour. A contract was awarded to DEW Engineering of Ottawa in January 2002 to produce the Bison Ambulance and Mortar variants. Negotiations are ongoing to also include the Maintenance and Recovery Vehicle variant.

Light Utility Vehicle Wheeled Project (LUVW)

The LUVW Project seeks to replace the current Iltis fleet with two separate vehicle acquisitions: 802 Standard Military Pattern (SMP) vehicles and integrated logistic support for use by field force units; and 861 militarized commercial off-the-shelf (Mil COTS) vehicles for use primarily by the Reserve Force. Mercedes Benz Canada with the G Wagon was the only bidder for the SMP vehicles. Compliance tests are scheduled for completion in June 2003 and upon successful completion of testing, a production contract will be let by December 2003. The Mil COTS contract valued at \$49.7 million was issued to General Motors military trucks in October 2002. The selected vehicle is a GM Silverado Commercial Utility Cargo Vehicle, which will be militarised to meet specific DND requirements. Delivery of the first vehicle is scheduled for September 2003 with final delivery expected for July 2004.

Clothe the Soldier (CTS)

This project is providing a system of 24 compatible items of individual environmental and battlefield protective clothing and equipment. The gear ranges from new combat clothing using the distinctive new “Canadian Disruptive Pattern” or “CADPAT™” to gloves, socks, boots, underwear, ballistic eyewear, multi-tools, rucksacks, helmets, and fragmentation vests, to name just a few. In 2002–2003, deliveries continued for five items (Lightweight Thermal Underwear, Combat Sock System, Wet Weather Boot, Integrated Clothing Ensemble and Brassière Temperate Underwear) and commenced for two items (Combat Vehicle Crew Glove and Tactical Vest). Contracts were awarded for five others (Soldier’s Multi-Tool, Arid Regions Combat Clothing and Equipment, Lightweight Thermal Headwear, Bullet Resistant Plate and Combat Vehicle Crew Modular Helmet development) while Request for Proposals were published for four items (Fragmentation Protective Vest, Ballistic Eyewear, Cold Wet Weather Glove re-scope and Combat Sock System/Cold Weather Socks). Delivery of all items is expected to be complete by 2007.





Battle Group Indirect Fire System (Integral)

This omnibus project will provide a modern direct and indirect fire capability with such precision so as to minimize collateral damage and meet the future demands of infantry battalions. The “Company Area Suppression Weapon” sub-project will enter its definition phase in fiscal year 2003–2004 and initial deliveries are expected in fiscal year 2006–2007.

Advanced Lightweight Anti-Armour Weapons Systems (ALAWS)

This project will acquire ALAWS and the necessary munitions, training simulators, and other elements of integrated logistic support. The project expects to provide up to 140 man-portable systems. The project received preliminary project approval in 2002–2003. Deliveries are expected to start in 2005 and will be completed by the end of 2007.

Tactical Command, Control and Communications System (TCCCS)

The TCCCS project is providing an integrated, secure, survivable and responsive means of communications to satisfy all tactical Canadian Land Forces commitments. The project has delivered combat net radios, long-range communications, headquarters and data integration, and system management and support. This project is currently 98 percent complete and will complete the delivery of the Integrated Radio and Intercommunications System (IRIS) by March 2004 to all Army units, Communication Reserve units, tactical helicopter squadrons (less the helicopters) as well as naval vessels and fleet schools. It will be the backbone of Land Force Command Support applications into the future.

Army Global Positioning System (GPS) Equipment Replacement (AGER)

This project will provide the Land Forces with a soldier-friendly, robust and survivable GPS capability to guarantee reliable and accurate positional information to friendly forces while denying it to the enemy. The capability will support dismounted soldiers, command and control systems, vehicles, and weapons platforms. The current GPS is becoming obsolete and, therefore, will be replaced in the 2005–2008 timeframe. Preliminary project approval was received in 2002–2003.

Multi-Purpose Engineer Vehicle (MPEV)

Current excavation equipment, which lacks the speed, mobility, and protection required to meet the demands of a modern army, has met its life expectancy and will be replaced by a modern, high-speed and high-mobility tractor. The contract was awarded to ARVA Industries under a Long Term Standing Offer. Deliveries are expected to begin by the end of fiscal year 2003–2004 and continue until the end of fiscal year 2006–2007. The Combat Engineer Regiments and the Engineer Support Regiment will field the MPEV.

Submarine Capability Life Extension (SCLE)

This project will see the maintenance of a Canadian submarine capability through the acquisition of four British-built, *Upholder*-class submarines, since renamed the *Victoria*-class. When operational, these submarines will enhance Canada’s ability to conduct surveillance and control its maritime areas of



jurisdiction, as well as participate in bilateral and multilateral operations. Currently, three submarines have been delivered to Halifax, while the fourth and last submarine is expected to be delivered in mid-2004. The first submarine, HMCS *VICTORIA*, completed her Canadianization Work Period (CWP) and was undocked on November 4, 2002. HMCS *VICTORIA* will be ready for limited operations later in 2003. HMCS *WINDSOR* has commenced her CWP, was docked April 1, 2003 and will return to operations in January 2004. HMCS *CORNER BROOK* was accepted by Canada on February 21, 2003 and arrived in Halifax on March 10, 2003. It is intended that HMCS *CORNER BROOK* will operate in local waters during 2003 in her as-accepted Royal Navy configuration for the purposes of submarine personnel training. HMCS *CORNER BROOK* is scheduled to commence her CWP in late fall 2003.

Advanced Electro-Optic Sensor (SIRIUS)

The current anti-air warfare sensors fitted to Canadian ships rely heavily on radar and electronic support measures to provide early detection and tracking of air threats and cover only the radar frequency band. There are no electro-optic sensors fitted. To address this deficiency, a joint Dutch/Canadian development project was initiated to design, develop and produce an advanced electro-optic threat-warning sensor. This developmental project is nearing completion and will enable ships to detect and track current and emerging air threats using the infrared spectrum. It will also provide night detection and tracking capability to increase the likelihood of detecting small surface threats.

Improved Point Defence Missile (ESSM)

This project is part of a ten-country initiative to develop an improved point defence missile capable of defeating modern anti-ship missiles. The weapon is based on the existing Sea Sparrow missile currently fitted in the *Halifax*-class frigates and is called the Evolved Sea Sparrow Missile. The first shipment of approximately 70 missiles is expected in 2003, with the remaining missiles scheduled for regular delivery through 2008. The first *Halifax*-class ship will be converted for testing in 2004 and will become operational in 2005. Follow on ships will be fitted at a rate of two per year.

Halifax Modernized Command and Control System (HMCCS)

This project will develop a program of technological changes to upgrade the existing *Halifax*-class command and control system from its obsolescent closed design into an open architecture based on a modern programming language and 'ruggedized' commercial hardware. The change will allow integration of future weapons systems, ensure continued availability of technical support, an increase in processing speed, and the enhancement of data fusion and tactical decision-making. The provision of this modernized system will ensure the combat capability of the *Halifax*-class is maintained out to the 2025 timeframe. This project has recently completed its options analysis phase.





Halifax-class Radar Upgrade

The current radar systems in *Halifax*-class frigates will require upgrade or replacement to maintain their operational capability, and ensure the radars will be supportable, over the remaining life of the class. This project will deliver upgraded or replacement hardware and software to all radars on board the 12 *Halifax*-class frigates. The project is undergoing an options analysis with results to be known in late 2003.

Underwater Defence Project (UDP)

The current *Halifax*-class Underwater Warfare System requires an upgrade to allow the *Halifax*-class frigate to operate safely in the littoral environment. Deficiencies exist in the Torpedo Defence, Mine Avoidance, Mine Counter-measures and Underwater Detection and Display systems. The project is currently undergoing an options analysis until late 2003.

Frigate Life Extension (FELEX)

By the year 2007, the first ship of the *Halifax*-class will be 15 years old. As most systems on board were designed almost twenty years ago, they may require upgrade or replacement. To this end the FELEX Project will refit the basic hull and platform systems and install upgrades to unsupported systems/equipments as well as manage design integration activities, scheduling, and installation of systems/equipments provided by relevant equipment projects mentioned above. FELEX will ensure the *Halifax*-class frigates can conduct tactical operations effectively into the 2025 timeframe. The FELEX project is currently in its options analysis phase.

YAG 300 (Training Vessel) Replacement

The at-sea component of basic naval training is conducted aboard wooden-hulled training vessels, known as YAG 300s, that were constructed between 1954 and 1958. They are experiencing burgeoning maintenance and refit costs and are increasingly unreliable. This project will replace the current training fleet with six to eight vessels capable of meeting current and projected training requirements.

Command-and-Control and Air Defence Capability Replacement (CADRE)

CADRE is designed to replace the command-and-control and Task Group area air-defence capability currently provided by Canada's aging *Iroquois*-class destroyers. DND is in a very preliminary stage of examining CADRE options.



Canadian Forces Contractor Augmentation Program (CANCAP)

The Canadian Forces Contractor Augmentation Program (CANCAP) contract was awarded December 2002 to the joint venture SNC-Lavalin/PAE. This team will provide services to the Canadian Forces on deployed operations. Services include logistics, food and accommodation, communications, engineering and health services. The ten-year contract is valued at up to \$400 million. The objectives of the program are to provide the CF with additional operational flexibility through enhanced support capacity; to free up military personnel for employment where their military skills are most needed; and to help the CF concentrate on the preservation of support to war fighting skills in our combat support services forces.

NATO Flying Training in Canada (NFTC)

The NFTC is a world leader in military pilot training. The program began operations in Moose Jaw, Saskatchewan and Cold Lake, Alberta in 2000–2001 and continues to grow each year. Other nations participating in NFTC are Denmark, Hungary, Italy, Singapore and the UK. Hungary joined the program in April 2002. Finland and Germany also started this year and are providing Instructor Pilots. Over 100 Canadian and 50 foreign pilots began training this year as the program continues to grow.



Airlift/Search and Rescue (SAR) Rationalization Project

The CF must examine its air mobility requirements and, to that end, work has already begun to look at one aspect of the overall air mobility construct. In view of the relative inefficiencies of the CC-130 aircraft in the search and rescue role, and considering the age of the CC115 and CC130E aircraft assigned to this role, the CF is studying various options to determine the most efficient way of delivering the search and rescue services that it is mandated to provide.



Annex D: Summary of recruiting intake

The Canadian Forces is facing a significant recruiting and retention challenge. This problem arises from and is influenced by many factors, including the steady growth of the Canadian economy, the resulting reduction in the unemployment rate and increased competition for the services of young, skilled Canadians. As part of a long-term strategy to make the Canadian Forces a career of choice, we will continue developing and implementing innovative measures, including streamlining the recruiting process, introducing new advertising concepts, and improving recruit training. In addition, we are studying options to modernize the terms of service for Canadian Forces members.

Examples of Regular Force **officer occupations** in demand include:

- Engineering Officers: all occupations; and
- Health Services: medical officers and dentists.

Examples of Regular Force **Non-Commissioned Member occupations** in demand include the following occupations:

Navy:

Tactical Acoustics Sensor Operator, Naval Electronics Technician (Acoustics), Naval Electronics Technician (Communications), Naval Electronics Technician (Tactical), Marine Engineering Mechanic.

Army/Air:

Signals Operator, Aerospace Telecom and Information Systems Tech, Land Communications and Information Systems Technician, Vehicle Technician, Weapons Technician (Land), Fire Control Systems Technician.





Specific military occupation classifications (MOCs):

CE Tech MOCs (Refrigeration and Mechanical Technician, Electrical Distribution Technician, Electrical Generation Systems Technician, Plumbing and Heating Technician, Water, Fuel and Environmental Technician, Construction Technician).



Summary of Recruiting Intake (Regular Force)

1999–2000	Actual	2,918
2000–2001	Actual	3,220
2001–2002	Actual	5,404
2002–2003	Actual	5,629
2003–2004	Planned	4,440

Summary of Recruiting Intake (Reserve Force)

1999–2000	Actual	4,766
2000–2001	Actual	4,096
2001–2002	Actual	5,713
2002–2003	Actual	4,940
2003–2004	Planned	5,681



Annex E: State of the Reserve Force

Role

The 1994 *Defence White Paper* defined the primary role of the Reserve Force to be the augmentation, sustainment and support of deployed forces. The Reserves provide the depth and breadth necessary to achieve the capabilities required in each stage of mobilization. In some cases, however, as with the Naval Reserves, Reservists perform tasks that are not performed by the Regular Force. This is likely to expand in the future as Reserve specific roles and missions are under development by the Army Reserve.

The strength of the Regular Force has been declining in the past 10 years and the Reserve has provided both a surge capacity and a complimentary force for augmentation. The majority of Reserve personnel work on a part-time basis. However, there are increasingly more Reservists serving on full-time operations and in support of the ongoing peacetime activities of the CF

Description

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

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

Primary Reserve

Members of the Primary Reserve are an integral part of the total force structure of the CF and they provide a significant resource in support of CF operations. The current Deputy Chief of the Defence Staff target for Reserve participation is 10 – 20 percent of deployed forces. During the fiscal year 2001–2002 approximately 10 to 15 percent of CF personnel deployed on operations were Reservists. Army Reservists continue to provide the bulk of augmentation to peacekeeping operations with the majority of Reserve personnel overseas. However, the Air Reserve also has a large number of personnel assigned to operational missions.





The Primary Reserve structure includes the Naval Reserve, the Army Reserve (Militia), the Air Reserve, and the Communication Reserve. Environmental Chiefs of Staff (Maritime, Land, and Air) command their respective Reserve elements, and the Assistant Deputy Minister (Information Management) controls the Communication Reserve. Health Services personnel in the Reserves continue a period of transition that has seen them moving out of the Army, Navy and Air Force into the Health Services Reserve under the Director General Health Services.

Reserve Projects and Initiatives

Four on-going Reserve projects or initiatives to enhance recruiting and retention include:

- **CF Pension Modernization Project** — This project was established to modernize all pension arrangements for members of the Canadian Forces. The new pension arrangements will reflect the total force structure of the CF and will provide pension arrangements based on full-time and part-time employment rather than enrolment in either the Regular or Reserve component. This will serve to enhance recruiting and retention, ease component transfers and provide CF members with pension coverage for all service throughout their career in the CF. The project is currently in phase three which is the design and development stage. A prototype plan has been endorsed and work continues toward obtaining legislative approval in late 2004. Plan implementation will follow in 2005.
- **Reserve Force Employment Project** — This project completed the formal phase of evaluation and study in July 2002. Policy development and implementation continue through March 2003. The key objectives of the project are:
 - to examine current employment policies and employment differences between Regular and Reserve components of the CF and to look at variations between Primary Reserve and other Reserve components;
 - to make changes to Reserve employment policies, as necessary, which will enhance the ability of the Total Force to achieve its mission in the future, while reflecting a pan-Reserve focus;
 - to incorporate approved changes into existing policies, orders and regulations;
 - to review the Cadet Instructors' Cadre and make recommendations and changes, as necessary, that will attract and retain leaders for the Canadian Cadet Movement; and
 - to monitor policy implementation to ensure that any amendments are considered for the "pan-Reserve".
- **Land Force Reserve Restructure (LFRR)** — The LFRR Project Management Office stood up in October 2000 with a mission "to develop an effective and credible Army Reserve complementary and supplementary to the Regular Force and relevant to the needs of the nation." Land Force Reserve restructure is a two-phase process. Phase One, now complete, dealt with organizational and structural issues. Phase Two was initiated in April 2003 and identifies, and implements issues which directly affect the quality of life of Reservists in terms of day-to-day personnel benefits, training, administration and support. Phase One of the LFRR initiative has increased and stabilized the strength of the Land Reserve to 15,500. This has formed the foundation for the announcement of a Phase Two increase of 1,500 personnel over the next two years. The overall goal in Phase Two is to increase the Army Reserve to 18,500.



- The Human Resources Management System for the Reserves — Rollout of this system to the Reserve Force began in May 2002. Data entry and conversion across the Primary Reserve, Canadian Rangers and Cadet Instructors Cadre is now 44 percent complete. Future developments for this project will see the next version of the system as a web-based application. It is intended that the system will eventually permit members to access and modify some selected portions of their own data to maintain currency.
- Reinstatement in Civil Employment — In the past year, draft legislation has been developed to protect a Reservist's civilian employment in the event of compulsory call out in an emergency.

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 are not required to perform any duty or training except when on active service. Civilian specialists may also enroll when there is a defined need. Force structure guidance has been issued to re-align the Supplementary Reserve, define its role and purpose, confirm the policy, management, and command authorities, and to explain the principles that would guide restructure. The result of this restructure will be an updated Supplementary Reserve with improved flexibility and utility for environmental commands and group principals and more relevant to current and future operational requirements. December 2003 is the projected implementation date of the new framework.

Cadet Instructors Cadre

The Cadet Instructors' Cadre (CIC) is made up of officers who have undertaken to perform such military duty and training as may be required of them, but whose primary duty is the supervision, administration and training of cadets, to ensure their safety and welfare while developing in them the characteristics of leadership, citizenship, physical fitness and an interest in the Canadian Forces. A review and development of policies, procedures and practices coincides with the CIC Occupational Structure Implementation Plan (OSIP) scheduled to conclude in 2003–2004. The production of the CIC job requirements (i.e., Occupational Specification) is progressing well and the review of additional policies and procedures included in the OSIP will follow once the Occupational Specification has been completed.

Canadian Rangers

The Canadian Rangers primarily serve on a voluntary basis, but do receive compensation when tasked. A ten-day basic training course is mandatory on enrolment, but annual and continuation training is more discretionary. Canadian Rangers must be in good health and must be able to live off the land. The Canadian Rangers provide a military presence in sparsely settled, northern, coastal and isolated areas of Canada that cannot conveniently or economically be covered by other elements of the Canadian Forces. As a result of a comprehensive study on their role, the Canadian Rangers will undergo some expansion across the country.





Annex F: The Armed Forces Council

The Armed Forces Council is the senior military body of the Canadian Forces. It meets regularly to advise the Chief of the Defence Staff (CDS) on broad military matters pertaining to the command, control, and administration of the Canadian Forces and to help the CDS make decisions. The following officers were members of the Armed Forces Council in 2002–2003:

General Ray Henault, CMM, CD Chief of the Defence Staff

General Ray Henault was born in Winnipeg, Manitoba in 1949. He enrolled in the Canadian Forces in 1968 and, on completion of training, he began his career as a pilot with 425 Squadron flying CF-101 Voodoos and later transitioned to tactical helicopters. He holds a Bachelor of Arts degree from the University of Manitoba.

During his distinguished career, General Henault served as Base Commander of Canadian Forces Base Portage la Prairie; Commander of 10 Tactical Air Group (10 TAG); Chief of Staff Operations at Air Command Headquarters; Chief of Staff Joint Operations at National Defence Headquarters; Assistant Chief of the Air Staff; and Deputy Chief of the Defence Staff. He also served in Lahr, West Germany, from June 1987 to June 1989, in Command of 444 (CA) Tactical Helicopter Squadron.

General Henault was appointed Chief of the Defence Staff on June 28, 2001.

Lieutenant-General G.E.C. Macdonald, CMM, MVO, CD Vice Chief of the Defence Staff

Lieutenant-General George Macdonald hails from Red Deer, Alberta, and joined the Royal Canadian Air Force in 1966 to be a fighter pilot, graduating from the University of Calgary with a Bachelor of Science degree in mechanical engineering.

Over the course of his career, Lieutenant-General Macdonald has served in many staff positions and as Commanding Officer 434 Squadron Bagotville, Commander Canadian Forces Base Lahr and 3 Fighter Wing West Germany, Commander 1 Canadian Air Division/Canadian NORAD Region, and Deputy Commander-in-Chief NORAD.

Lieutenant-General Macdonald was appointed Vice Chief of the Defence Staff on September 6, 2001.



Vice-Admiral Greg Maddison, CMM, MSC, CD **Deputy Chief of the Defence Staff**

Vice-Admiral Greg Maddison was born in Nova Scotia in August 1949. He received his commission in 1972, after graduating from the Royal Military College of Canada in Kingston, Ontario, with a Bachelor of Arts degree in engineering and management.

Vice-Admiral Maddison has served in HMC Ships *Assiniboine*, *Terra Nova*, *Iroquois*, and *Athabaskan*. Over the course of his career, he has held positions ranging from Navigating Officer to Commander, First Canadian Destroyer Squadron, Commander of the NATO Standing Naval Force Atlantic, Commander, Maritime Forces Atlantic, and Chief of the Maritime Staff.

Vice-Admiral Maddison was appointed Deputy Chief of the Defence Staff on June 22, 2001.

Vice-Admiral R.D. Buck, CMM, CD **Chief of the Maritime Staff**

Vice-Admiral Ron Buck was born and raised in Montreal and joined the Royal Canadian Navy in 1967 under the auspices of the Regular Officer Training Plan. He graduated from McGill University with a Bachelor of Science degree in 1971.

Vice-Admiral Buck's operational career included command of the Canadian Fleet (Pacific) and the Fifth Canadian Destroyer Squadron, which consisted of seven *Halifax*-class patrol frigates and two *Iroquois*-class destroyers. Previously, Vice-Admiral Buck commanded the destroyer escort HMCS *Restigouche*, and was the executive officer of the destroyer HMCS *Athabaskan*.

Vice-Admiral Buck was appointed Chief of the Maritime Staff on June 21, 2001.

Lieutenant-General Mike Jeffery, CMM, CD **Chief of the Land Staff**

Lieutenant-General Mike Jeffery was born in London, England. He joined the Royal Regiment of Canadian Artillery in 1964 through the Canadian Army Soldier Apprentice Program.

Lieutenant-General Jeffery has served in a variety of command and staff positions, including Director of Land Requirements, Director of Artillery, Director General Program Co-ordination, Commandant of the Canadian Land Forces and Staff College, and Commander of the 1st Canadian Division and Army Training Authority. In 1990, he attended the National Defence College. In 1999, he was appointed Joint Task Force Commander for *Operation ABACUS*. Lieutenant-General Jeffery was promoted to his current rank on May 1, 2000, when he was appointed Special Assistant to the CDS for Reserve Restructure.

Lieutenant-General Jeffery was appointed Chief of the Land Staff on August 8, 2000.



Lieutenant-General Lloyd Campbell, CMM, CD Chief of the Air Staff

Lieutenant-General Lloyd Campbell, a native of northwestern Ontario, joined the Royal Canadian Air Force in 1965 and initially served as an air navigator flying in *Yukon* aircraft. In 1969, he was selected for pilot training and subsequently flew the CF-104 *Starfighter* and the CF-5 *Freedom Fighter*. He attended the Canadian Forces Command and Staff College at Toronto, and subsequently, attended National Defence College in Kingston, Ontario.

During his career, Lieutenant-General Campbell served in many command and staff positions in Canada and overseas. He also served in several posts at National Defence Headquarters, including Director General Force Development, Director General Strategic Planning, and Acting Vice Chief of the Defence Staff. In April 1998, Lieutenant-General Campbell was named Commander 1 Canadian Division and the Canadian NORAD Region.

In July 2000, Lieutenant-General Campbell was promoted to his current rank and appointed Commander of Air Command and Chief of the Air Staff.

Lieutenant-General Christian Couture, CMM, CD Assistant Deputy Minister (Human Resources — Military)

Lieutenant-General Christian Couture was born in Saint-Gédéon, Quebec. He enrolled in the Canadian Forces in 1971 and joined the Royal 22^e Régiment in 1972. In May 1994, he completed the Higher Command and Staff Course in Camberley, United Kingdom.

During his career, Lieutenant-General Couture has held various positions in Canada and abroad, serving in Germany, Cyprus, and the former Yugoslavia. He has held numerous staff and command appointments, including Commanding Officer in the 2nd Battalion, Royal 22^e Régiment; Commander of the 5th Canadian Multinational Brigade in the NATO International Force in Bosnia; and Chief of Staff to the Assistant Deputy Minister (Human Resources — Military). In September 1998, Lieutenant-General Couture was appointed Acting Assistant Deputy Minister (Human Resources – Military).

Lieutenant-General Couture was promoted to his present rank on June 15, 2000, and appointed Assistant Deputy Minister (Human Resources – Military) on July 1, 2000.

Rear-Admiral Raymond A. Zuliani, CD Chief of Reserves and Cadets

Rear-Admiral Zuliani was born in Port Arthur, Ontario, in 1948. In 1965, he joined the Royal Canadian Naval Reserve as an Ordinary Seaman at HMCS *Griffon*, and received his commission in 1970.

Rear-Admiral Zuliani has commanded minor war vessels on both coasts and the Great Lakes, and served as an aide-de-camp to the Governor General of Canada. He also served as Commander of the Naval Reserve, with responsibility for 24 Naval Reserve divisions across Canada. He attended the National Defence College in Kingston, Ontario, from September 1993 to June 1994.

Rear-Admiral Zuliani was promoted to his present rank on July 15, 2000, and appointed Chief of Reserves and Cadets at National Defence Headquarters in Ottawa.



A TIME FOR TRANSFORMATION

Major-General Jerry S.T. Pitzul, CMM, CD Judge Advocate General

Major-General Pitzul earned his Bachelor of Administration in 1975 from the Collège militaire royal in St-Jean, Quebec. He later earned his Master of Business Administration in 1976 and his Bachelor of Laws in 1979 at Dalhousie University in Halifax, Nova Scotia.

He has held various appointments within the Office of the Judge Advocate General, including that of Director of Law/Prosecutions and Appeals and Deputy Chief Military Trial Judge. In 1995, Major-General Pitzul accepted an appointment in Nova Scotia as Director of the Public Prosecution Service and lawful deputy of the Attorney General. He returned to the Canadian Forces in 1998 to the position of Judge Advocate General in the rank of Brigadier-General.

In April 2002, Major-General Pitzul was promoted and reappointed as Judge Advocate General of the Canadian Forces for a further four-year term at National Defence Headquarters in Ottawa, Ontario.

Chief Petty Officer, 1st Class, R.M. Lupien, MMM, CD Canadian Forces Chief Warrant Officer

Chief Petty Officer, 1st Class Lupien was born in Ste-Séraphine, Quebec. He joined the Canadian Forces in Montréal in March 1970. Chief Petty Officer, 1st Class Lupien served aboard several of HMC Ships, including *Gatineau*, *St-Croix*, *Terra Nova*, *Saskatchewan*, *Mackenzie*, and finally *Kootenay*, where he was employed as coxswain. He completed three different tours of duty at Canadian Forces Fleet School Esquimalt, serving the last one as senior chief petty officer of the school.

Chief Petty Officer, 1st Class Lupien held the appointments of Chief Warrant Officer of the Canadian Forces Leadership and Recruit School in St-Jean-sur-Richelieu and Command Chief Petty Officer of Maritime Command before being appointed Canadian Forces Chief Warrant Officer in June 2001.