

Defence Review Written Comments – Keith Maxwell

Introduction. I have read the Defence Review Public Consultation document and found it a very useful basis for an analysis of Canada's Defence Policy. It provides the appropriate level of background information and poses serious and well considered questions. My written comments are offered in that context.

Resources. Resourcing the Canadian Forces is an area of major concern. The consultation document is open about Canada's failure to meet the NATO goal of 2% of GDP in defence funding, which was agreed by all NATO nations in consensus. It then offers a deflection, "...there is considerable variation in how countries calculate their defence budgets." While that is true, NATO has its own rigorous accounting process to compare like to like in this regard. Additionally, accurate and well documented statistics on defence expenditure are available from a number of international sources, including SIPRI and the IISS. They all arrive at the same conclusion.

"How much is enough?" is always subjective and can only be answered subjectively. We normally arrive at well-reasoned subjective considerations through a process of thoughtful comparison. Internally, we can only compare current expenditure levels to that of the past. The chart on page 30 of the consultation paper is telling and at the same time slightly misleading. It would be more useful if a line were added to indicate percentage of GDP, which is the international gold standard for such comparisons. In fact Canada now spends substantially less than 1% of its national treasure on defence annually – the lowest level since 1938. When compared to other wealthy members of NATO the comparison leads to the same conclusion. With the exception of couple of small land-locked European countries with little strategic interest beyond their immediate area, Canada has the lowest level of defence investment in the alliance. Few of our allies meet the 2% goal but many are in the 1.5% range when comparing like to like. While Canada probably gets better "bang for the buck" than many of our allies, the unavoidable conclusion is the Canadian Forces are under resourced. The lack of resources has led to procurement delays, significant gaps in capability and extensions in the operational life of equipment verging on obsolescence, undermining the operational capability of the force. It has also undermined Canada's reputation internationally – we are often considered a laggard by our allies.

This Defence Review provides an opportunity to move toward correcting the resourcing problem. It would mean a strong governmental commitment to multi-year predictable funding with a modest incremental increase over time. It would need to be founded on a strong and well developed plan for procurement, roles and missions, and the sustainability of forces for worldwide operations. The trade-off is to accept a significant risk to sovereignty, an ever decreasing operational capability, a diminished international reputation and deteriorating influence in the global community.

Specialization and niches. There is more than one reference in the consultation document asking if Canada should consider specializing in certain niche areas as a trade off to providing a wide spectrum capability. Caution is warranted in looking at possibilities for specialization and niche roles. Too often it is a ruse to save money within the force structure and masks a diversion into a cheaper, less robust and effective area of endeavour. Canada should look for areas of excellence and can do so in a number ways, such as space based surveillance, Special Forces, and international assistance in building defence

capacity. None of that would diminish the need for a broad spectrum force capable of a wide range of missions.

The other caution is the consequences of cutting out an entire force capacity, perhaps with the expectation that the role will be picked up by allies; in Canada's case that normally means the US. If Canada has a capability in place, even if lacking in depth and numbers of platforms or units, it is still a capability. And that capacity can be augmented by allied forces. However, Canada remains in the game, protecting its independence and sovereignty. A classic example is the air defence provided by NORAD. The US often provides augmentation and reinforcement for Canadian air defence operations. The size of the country and geography make that inevitable. But Canada is still fully in control and is aware of all operations taking place in or near its sovereign territory. However, if Canada has no capability in an area, that defence activity will still be performed but Canada will be left out of the information and decision making process. That is particularly worrisome if the activity takes place in or near Canadian sovereign territory. This concern applies to a number of areas, including sub-surface naval operations, our coastal patrol capability or our ability to carry out armoured maneuver warfare. It is our national interests to have a force capable of wide spectrum operations that can be augmented and reinforced rather than displaced.

Roles. In the context of this Defence Review Canada has the opportunity to correct two serious errors Canada has made in the area of force capability. One was a direct cut and the other a missed opportunity.

Canada withdrew from the NATO AEW/AWACS program in 2010. This was an ill-conceived reduction in capacity initiated by a small number of senior personnel who had become badly disposed toward NATO on a personal level. This reduction was inexplicable to our allies and bad for the Canadian Forces as a whole. NATO AWACS provided a superb venue to make a major contribution to the alliance at a modest cost, protected Canada's substantial capital investment in the program and ensured that a core of Canadian Forces personnel continued to have significant familiarity with the intricacies of the alliance. AWACS is a force multiplier in tactical air operations and is a focus for decision making and control of ongoing air operations. Canada lost all of that capability as a result of a poorly coordinated staff initiative that was clouded by poor judgement. It is likely that NATO would welcome a Canadian return to the program at a level of manning and cost sharing that could readily be negotiated. It would also restore the trust of our allies in this area, many of whom are still at a loss to understand Canada's precipitous action in the first place.

In 2005, at the nadir of security relations between Canada and the US following the invasion of Iraq in 2003, Canada declined a US invitation to join in their ever-evolving national Ballistic Missile Defence (BMD) initiative. The decision gave every appearance of being a political one, not based on military operational consideration or best military advice. Subsequently, BMD has been adopted by NATO (including Canada) for the protection of NATO Europe territory as an adjunct to the US BMD system. Canada remains an ambiguous anomaly in the equation. It is worth pointing out that the system in question is NOT the Strategic Defence Initiative ("Star Wars") of the 1980s. The system is intended to provide a defence against a limited attack from a country with a very limited capability; North Korea and Iran are the top threat candidates. Both have, or are developing, missiles capable of reaching North

America and both have nuclear weapons ambitions. The US BMD system provides no realistic capability against the sophisticated intercontinental arsenals of Russia and China; accordingly, it does not interfere with the international nuclear balance of deterrence.

Canada could make a significant contribution to BMD in a number of ways. Cooperative manning of US facilities through the NORAD agreement would be welcomed by the US. There is also an ongoing need to improve detection and tracking in support of BMD and Canada provides a number of ideal geographical locations that would provide optimal siting for a missile and satellite detection radar. If Canada were to construct and man such a facility and offer it on a continuing basis to NORAD and the BMD system it would be considered a major contribution at an affordable cost.

Procurement/Fighter replacement. Procurement has been particularly troublesome in recent years and a number of programs are in trouble in terms of cost, schedule and performance. This is a particular problem with ships and the CF-18 replacement programs. My experience is in tactical air operations, so I will concentrate my remarks on that area. Canada's fleet of CF-18s are well into their latest life extension period and they require replacement. The replacement program needs to be executed very carefully – it might be the last fighter procurement Canada ever makes and the fleet may well be in operations for forty years or more. It is important that the program be a full market competition as free of constraints as possible. There are a number of obvious candidate fighters for replacing the CF-18 and the completion must be made against a well documented requirement. That requirement is in place now. It is disturbing that one of the prime contenders for the program might be prohibited from bidding. No one knows the market price of all of the contenders, nor will they unless there is an unconstrained competition. The F-35 should certainly remain as a competitor. It is the newest of the contenders, the only platform with full stealth capability and is widely compatible with our allies. The US is procuring the F-35 as the main replacement fighter for the F-15 and F-16 in the USAF and the US Navy is procuring the F-35 to replace their F-18C/D fleet. Clearly, the US will put the necessary expertise and resources into the program to make the fighter a singularly premier fighter. Recent criticism of the development is uninformed and biased, often for commercial considerations. Problems and schedule slips are an inevitable part of modern fighter development and the F-35 is the most complex fighter ever developed. I have full confidence the US will field the F-35 as the most capable fighter in the world. Several allied nations are procuring the F-35 with full confidence; it should be considered by Canada as well, in an open and free competition. Cost is inevitably a factor, but the added value the F-35 brings to the table may well be justified from a cost-benefit perspective. Make it a true competition!

Procurement is a difficult process and that is particularly so for large programs. Experience tells us that many factors contribute toward making the process more difficult. Those include inadequate requirement definition, under-resourcing of the procurement team, inadequate contingency funding and political involvement in the process. The Sea King replacement is, perhaps, the most egregious example of the latter; it is not unique. It will take resources and leadership to improve the procurement process for the Canadian Forces.

Summary. I could go on at some length but understand the time and space constraints involved. The Defence Policy Review public consultation document will stimulate a great deal of well-considered discussion. I look forward to taking part in that process.