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The Honourable Harjit Sajjan, Minister of National Defence  
National Defence Headquarters  
Major-General George R. Pearkes Building  
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Minister,

Thank you for the invitation to contribute to this roundtable as part of your Defence Policy Review. This review is important, as I wholeheartedly agree with your party's assessment that the 2008 Canada First Defence Strategy (CFDS) is both underfunded and out of date. This lack of funding was caused, in large part, by an inadequate supply of resources for Capital equipment procurement projects. While much has changed in the world since 2008, the main reason that the previous strategy is out of date is our relationship with Russia. The CFDS was written at a time when Russia was viewed only as a partner. The impact of the change in our relationship with Russia on the defence of Canada and North America should be a key focus of the Defence Policy Review.

For the last two and half decades, the focus of Canadian defence policy was largely placed on non-state threats in an era of American uni-polarity. After a long period of peace support operations in the 1990s, a decade of conflict with terrorists and insurgents in Afghanistan consumed the Canadian military. With the world increasingly shifting away from a United States led uni-polar world order and towards greater multi-polarity, Canadian defence policy needs to reorient to once again focus on state-based threats.

Russia is no longer the partner it recently was, and its new assertiveness gives us reason to reassess how we defend North America. The Russian military has significantly upgraded its air and naval forces in recent years and continues to do so. Over the last two years, the Russians have demonstrated both this new equipment's effectiveness as well as a willingness to use it to advance their own interests.

In Syria, Russian forces successfully employed a new class of sophisticated conventional air and sea launched cruise missiles that have greatly enhanced range, are difficult to observe and are capable of precision targeting. Three aspects of this development are troubling. First, these weapons come in both nuclear and conventional variants. Second, they can be carried by Russian Long Range Patrol Aircraft as well as their newest and most capable submarines, which Russia has resumed deploying around North America over the last decade. Third, because of the increased distances at which these new missiles can successfully hit targets and their low observability characteristics, the current arrangements for defending North America must be upgraded to counter them effectively. In sum,

Russia has developed, and recently used abroad, sophisticated new technology that could be deployed against North America using the same aircraft and submarines now routinely patrolling the air and waters around North America.

Threats are traditionally understood as a combination of capability and intent. Russian capabilities that could threaten North America have been demonstrated. Thankfully, thus far a willingness to use them against North America has not. As intentions can change far faster than capabilities, Canada should take prudent steps to ensure we have our own capabilities to defend ourselves if Russian intentions change. Ensuring this will require adequate funding for Capital equipment and an effective procurement system that acquire modern and technologically advanced military capabilities in a timely fashion.

Three broad types of capabilities should be priorities. First, we need to enhance our ability to know what is happening in our airspace and maritime approaches and in the Canadian Arctic in particular. This requires a range of systems able to provide Intelligence, Surveillance and Reconnaissance across domains. Second, we also need the ability to defend our airspace. This requires that we move quickly to replace our fleet of CF-18 fighter aircraft with a fighter capable of successfully intercepting foreign aircraft today and in the future. Third, the government needs to invest in Anti-Submarine Warfare (ASW) capabilities to defend our coastal approaches. This means that the Canadian Surface Combatant should be equipped with a sophisticated ASW capability and that Canada's submarines, our most capable ASW assets, be life-extended and then replaced with a fleet that could patrol all three of Canada's oceans.

In order to acquire such modern capabilities, the Department of National Defence needs sufficient financial resources and an effective procurement system. At present, it has neither. Under the existing financial arrangements, a number of projects needed to maintain a modern capability to defend Canada against aerospace and maritime threats are not funded, including: an upgrade of the North Warning System; a replacement for our maritime patrol aircraft; and the life extension and replacement of Canada's submarines. Sufficient funding to acquire these projects and others needed to maintain a modern and technologically sophisticated military must be found. Preferably, this additional funding would come through either a budget increase or change to the existing accounting rules in order to give DND added flexibility.

If wider fiscal pressures in the Government of Canada preclude funding increases, additional monies for Capital procurement should be obtained by reallocating the existing defence budget to achieve this. For example, during the previous two and half decades, the size of the military was increased to address non-state based threats. In the current environment, Capital equipment intensive aerospace and maritime capabilities, as well as the requisite support and enabling assets, should be Canada's defence priorities. The allocation of defence resources should reflect this.

Beyond the dollars needed to make these purchases, Canada needs a better functioning defence procurement system that can make effective use of the funding available. For close to a decade, our existing system has been incapable of utilizing allocated resources because it has failed to acquire

needed military equipment on schedule. Due to this failure, over 10 billion of budgeted funding set aside for Capital equipment procurements has been deferred into the future, most recently with the 2016 Budget. Improving the procurement of military equipment will require, at a minimum: i) a clear indication by the government that buying Capital equipment is a priority; ii) a prioritization of defence equipment projects as part of the Defence Policy Review; iii) a streamlining of the unwieldy procurement process that currently exists; iv) an increase in the capacity of the procurement workforce; and v) better government communication about procurement.

Sincerely,

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