

Accipiter Radar Technologies Inc.

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

Wherever possible, the Federal Government should prioritize funding initiatives which produce multiple benefits for Canadians. In the security sector this will require an understanding of what individual project needs are and whether they can be accomplished through coordinated project funding. Consideration should be given to the long term impact of such funding decisions especially where they can result, for example, in enhanced border security that supports and promotes cross border trade as contemplated in the Beyond the Border Action Plan. Similarly, funding technology deployments in areas which have long term implications for the Canadian economy, such as Arctic domain awareness, also serve enhanced economic growth in Canada. Accipiter Radar Technologies Inc. (ARTI) is a Canadian based firm whose automated, analytical radar systems software features multiple user (and sensor) integration as well as the highest persistence of coverage and real time vessel tracking that permits enhanced detection and interdiction. It is specifically designed for small vessel tracking and is also ideally suited for low flying aircraft tracking as well as for protection of marine situated critical infrastructure. Accipiter® components include individual radar sensors operating from fixed, mobile and even aerostat integrated platforms with network-based surveillance data servers to integrate multiple sensors into a common operating picture. This state of the art enhanced domain awareness is recognized as essential for all of the inland marine border, coastal, Arctic and marine site facilities environments. The varied interests that require this level of domain awareness include border security, law enforcement, search and rescue, critical infrastructure protection, seaport security, aviation safety and more. As such, appropriately coordinated funding allocations achieve multiple goals which are critical to sustained economic growth in Canada. ARTI systems are currently deployed by the RCMP and US enforcement agencies and have been successfully field tested during the G-20 Summit as confirmed in a 2011 DRDC Special Report. (http://cradpdf.drdc-rddc.gc.ca/PDFS/unc110/p535042_A1b.pdf) What is now required is targeted funding for a coordinated full deployment to enhance security and economic growth in Canada.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Measures which support cross border trade and critical infrastructure operations inherently support the economic vitality that ensures job retention and job creation. Because of their unique multiple user potential, ARTI systems also serve as force multipliers which permit an increased productivity in operational capacities. This in turn allows for use of institutional resources which can translate into job creation. The ARTI marine border, coastal, port applications create an enhanced security environment which, in today's world, is undeniably a pre condition for the international and cross border trade which is the engine of job creation in Canada. Initiatives designed to enhance cross border and international

trade under the Border Action Plan, for example, specifically contemplate enhanced marine domain awareness at seaports and between ports of entry so as to provide greater assurance for expedited Canada-US border clearance. That expedited and enhanced trade made possible through ARTI systems generate economic growth and job creation. Similarly, Canada's critical infrastructure includes marine situate energy facilities which require enhanced domain awareness to ensure security and continuity of operations which are essential for economic stability in Canada. The looming development of the Arctic as both a trade route and resource sector, and the job creation that will inevitably come with it, also requires a cost effective marine domain awareness which ARTI is uniquely able to provide. Security of our coastlines and the Arctic requires persistence of coverage (i.e. the surveillance is continuous, 24/7, 365 days a year), especially in areas that are known or expected to be attractive to illegal movements of goods and people. The traditional deployment of military aircraft coverage is not only exponentially more expensive but provides a significantly reduced persistence of coverage than ARTI systems which can be deployed on fixed, mobile and aerostat mounted platforms. Funds saved in this approach, which can be measured in the hundreds of millions of dollars, can be used for other initiatives which support job creation.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

No input.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

As noted earlier, ensuring maximized funding productivity by the federal government is a critical strategy that should be proactively pursued in Budget 2013. Prioritized deployment of ARTI systems to achieve multiple Departmental and Agency goals epitomizes the wisdom of that approach. This will require a coordinated analysis of existing funding allocations all of which can contribute to the end goal. These include: *Review contracting, operational and technology budget spending of all participating Agencies and Departments for contribution (CBSA, RCMP, CCG, PS, DND, TC, etc..) *Review existing related 'program' spending such as 'Crime Prevention' to assess whether funding can be reallocated from projects of lesser priority *Use funding from the DND Search and Rescue New Initiative Fund for deployment of radar nodes that are used for SAR (as participants confirmed) but which can be part of the broader border security system. *Use marine port security funding and critical infrastructure protection (power plants) funding allocations for deployment of radar nodes that are site specific but which can be part of the broader border security system. *Use DND funding for coastal and Arctic surveillance initiatives *Assess Provincial/local police funding for criminal justice focused deployments which can be part of the broader security system *Amend the Seized Assets Management Act to create a statutory Border Enforcement Fund to require that border offence related fines and forfeitures go into this special fund which then can only be spent on defined border enforcement purposes such as technology or personnel deployment. *Include joint integrated systemic deployments as part of Canada-US Perimeter Security Agreement to reduce net costs by 50% *Use of the Border Infrastructure Fund – Determine what funding from the original \$675M remains available or committed to projects not started of lesser priority. The benefits of this approach should not be underestimated. Enhanced marine awareness will improve our capacity to detect and interdict the smuggling of guns,

drugs and people into Canada which will reduce subsequent law enforcement costs while increasing public safety.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

Small businesses are the engine of innovation and economic growth in Canada and yet there are few programs that provide meaningful support to such companies especially in difficult economic times. During the initial stages of the 2008 recession, the government's focus was on the big banks and auto companies while small businesses twisted in the economic wind. The programs that eventually arrived were too little and too late for many small companies. Small businesses are not looking for handouts but for fair access to opportunities to compete. Incentives or even requirements should be provided in government procurement for large contractors to include small business in the supplier mix. Just look to the US for examples of exceptional effort in this regard. The government could provide huge leverage for funds used to provide incentives for investors to invest in small, innovative companies. Since investors' money would be used, the cost vs benefit profile to the government for such a program would be exceptional. Consider forming a 'Small Business Administration' perhaps within Industry Canada to develop new policy and programs and advocate policy for the promotion of small business. We realize government is trying to simplify its structure but such an addition would do much more than carry its own weight. Small business innovation and growth is the platform upon which we can emerge from our current economic situation stronger than ever if we are will to give it the support it deserves.