

Standing Committee on National Defence

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Chair

Mr. Stephen Fuhr

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● (1535)

[English]

The Chair (Mr. Stephen Fuhr (Kelowna—Lake Country, Lib.)): I'd like to welcome everybody to the defence committee.

Minister, department officials, members of the Canadian Armed Forces, thank you very much for attending today to discuss supplementary estimates (B), as in bravo. I know most of us have done this a few times now, so I will spend little time talking about the process so we can get right to the discussion.

Minister, I'm happy to give you some time to give your opening remarks, and then we'll get into questioning. The floor is yours, sir.

Hon. Harjit S. Sajjan (Minister of National Defence): Mr. Chair and committee members, I want to start by thanking all of you for the work you do, the advice you provide, and the experts you talk to. It really has helped inform not only my opinion but also, more importantly, our defence policy, so thank you very much for the tremendous effort you put into your work.

Thank you, again, for the invitation to discuss the supplementary estimates (B) for the Department of National Defence. I'm accompanied today by Deputy Minister Thomas; acting vice-chief of the defence staff Lieutenant-General Parent, and other members of the defence team; and also Greta Bossenmaier, chief of the Communications Security Establishment, commonly known as CSE.

Mr. Chair, I'm here today to address the additional funding required to support the women and men of the Canadian Armed Forces and CSE. Supporting our service members requires investments in the right equipment and infrastructure, as well as investments in their well-being, all the while ensuring that they are fairly compensated. We are doing all this and more through our defence policy, as you know, which is called "Strong, Secure, Engaged", or SSE for short, which I released in June.

SSE outlines a new vision for defence, a vision that puts our people first, a vision that ensures Canada is strong at home, secure in North America, and engaged in the world. It is a 20-year commitment that makes much-needed investments in the Canadian Armed Forces and its valued personnel. All soldiers, sailors, and aviators trust us to make important decisions about resources, as do all Canadians. I take this trust extremely seriously. The requirements to deliver on these investments can shift over time: some projects move more quickly while others can experience unexpected delays.

The funding requested in these estimates is for existing government commitments, many of which are also captured in the new defence policy. We have moved funds to where they were needed, allowing us to begin implementation on several SSE-related initiatives. We're already managing \$565 million of the \$615 million of new cash identified in SSE for fiscal year 2017-18.

Since I released the policy five months ago, we have made significant progress on our commitments and have taken decisive action to ensure we remain on schedule. To date we have rolled out a joint suicide prevention strategy with Veterans Affairs, a new peace support training centre in Kingston, and a new cyber operator occupation. We have also received confirmation from both the Canada Revenue Agency and Revenue Quebec that Canadian Armed Forces members, up to the rank of lieutenant-colonel, deployed on named international operations will receive tax exemption compensation backdated to January 1, 2017.

We are proud of these achievements to date. Canadians can expect to see more projects coming to fruition in the weeks, months, and years ahead.

Through the supplementary estimates (B), DND is seeking approximately \$1.1 billion in additional funds to cover expected costs for the current fiscal year. These funds are intended for items that were not yet finalized when Treasury Board tabled the main estimates, and they were examined by the committee of the whole last May. You will recall that DND was allocated funding of \$18.7 billion for the current fiscal year. These supplementary estimates (B) include a Treasury Board approved pay increase for Canadian Armed Forces members, funding for key procurement projects and programs, and adjustments to current year funding for 20 significant capital projects. The Canadian Armed Forces pay increases underline the importance of this process because as defence minister I want to ensure that our women and men in uniform are appropriately paid for the task we ask them to carry out.

This request includes funding for a cumulative pay increase of 6.34%, as well as an increase of 5.1% to some environmental and special allowances for fiscal years 2014-15 through 2017-18.

Members began receiving their new rates, along with a lump sum back payment, as of June 30 of this year. In total, DND is requesting \$333.1 million for the pay increases, plus \$66.6 million in statutory funding for the employee benefit plans, for a total of \$399.7 million.

The \$335.6 million in funding for 20 capital projects will ensure that approved funds are being used now so that projects continue to move forward. This is a net request for 10 projects for which funding allocated in 2017-18 will not be entirely spent. As a result, it will be transferred to 10 projects that require additional funding this year. This will cover expected costs for the remainder of the fiscal year.

We have a new cash management approach, approved by the Treasury Board Secretariat, that offers more flexibility, allowing us to use surpluses in one project to fund demands in another project. Due to the timing needed for Treasury Board approvals, National Defence will be seeking approximately \$443 million in funding for initiatives when supplementary estimates (C) are presented to Parliament later this fiscal year. We will only request these funds through the estimates process once we are confident we know exactly what we need. I am proud to report that this new funding process helped the department reduce lapses from \$2 billion in 2014-15 to less than \$850 million in 2016-17. More importantly, it is the first time since 2008-09 that DND has not let funding expire.

DND is also asking for an additional \$332.4 million in funds for additional capital projects. For the Royal Canadian Air Force, we are seeking an additional \$161.6 million to advance the fixed-wing search and rescue aircraft replacement project. This is for the 16 new Airbus aircraft that will take over search and rescue duties from our Buffalo and Hercules legacy aircraft. This will allow the Canadian Armed Fores to continue delivering the search and rescue program with new and better resources.

For the Canadian Army, we are requesting an additional \$57.1 million to upgrade the 141 light armoured vehicles. These funds are needed earlier than we predicted, because some of the items will be delivered ahead of schedule, which is good news. With this project the army will maintain troop mobility, which is key to success on operations.

For the Royal Canadian Navy, we will be requesting an additional \$54.4 million for the Canadian surface combatant project. It will get funds in place for the current project forecast, for definition phase activities, and for the remainder of the fiscal year. The Canadian surface combatant will replace the capabilities provided by the Iroquois class destroyers and the Halifax class frigates. It will also be able to conduct a broad range of tasks in various scenarios. Also included for the navy is an additional funding request of \$27.3 million for the point defence missile system upgrade project to upgrade the existing evolved seasparrow missile system on the Halifax class ship.

For our Canadian Special Operations Forces Command, we are seeking an additional \$15.8 million for a special IT project that improves the command's ability to handle intelligence and data more quickly and more accurately. Our special operations task force

members are the ones we call upon to mitigate against chemical, biological, and radiological threats. They also provide various key capabilities for alleviating nuclear and explosive threats. To this end, DND is seeking \$14.5 million to procure specialized equipment.

There are some lower-cost items in our supplementary estimates (B) as well. For instance, DND is requesting an additional \$1.7 million in capital funding to complete the HR system upgrade for our military personnel administration project. The upgrade will only be released when all pay-related scenarios have been fully and successfully tested.

Concerning revenues and assets, we will seek to reinvest \$1.2 million in royalties from intellectual property. This includes licences awarded for the use of such crown-owned intellectual property as software, defensive equipment, and protective gear.

● (1540)

Real property disposals are another way that DND is supporting the government's commitment to improve military infrastructure by disposing of underused or obsolete assets. DND is requesting to reinvest approximately \$780,000 from the sale of three properties—in Norfolk, Virginia; CFB Borden; and Westmount, Quebec. This is only part of the total revenue from the sale of that property. The balance, \$2.7 million, will come in supplementary estimates (C). The entire amount will be reinvested in base and wing real property to make it more modern, energy-efficient, and affordable and to better meet the infrastructure needs of the Canadian Armed Forces.

Now, DND is the largest infrastructure owner in the federal government. It is critical that we use funds wisely. Our investments will continue to focus on infrastructure that meets Canadian Armed Forces operational needs. At the same time, we will continue to dispose of underused or obsolete property to help us reduce operating costs and liabilities as well as greenhouse gas emissions.

For the Communications Security Establishment, Canada's centre of excellence for cyber operations, we are requesting approximately \$12.3 million. This amount will help maintain the security of our IT systems while ensuring that vital information that Canadians entrust to the government is protected. DND will also receive \$2.5 million in transfers from various government departments in these estimates, and we will transfer \$18.9 million to other departments.

Mr. Chair, all of the items outlined in the supplementary estimates process today directly support our whole-of-government approach and address the priorities of both the Government of Canada and the Canadian Armed Forces. It also demonstrates our clear commitment to Canadians and to the women and men of the Canadian Armed Forces who support us every single day.

Thank you. I'll take your questions.

• (1545)

The Chair: Thank you very much, Minister.

Just as a reminder to the committee, we'll have the minister for about an hour. That will give us enough time to get through our established speaking order, at which time I'll suspend and let the minister depart. We'll have the remaining officials for about 45 minutes.

That said, the first question will go to Mark Gerretsen.

Mr. Mark Gerretsen (Kingston and the Islands, Lib.): Thank you very much, Mr. Chair.

Thank you, Minister, for coming today. As you know, I'm from a riding that has a long military tradition. That's Kingston and the Islands. We take great pride in the fact that we have the historic Fort Henry, a world-class military base, and of course the RMC, the Royal Military College. One of the remarkable things I find about our base and the personnel who work on the base in particular are the men and women who work there and their dedication. It's not just their dedication to the military and their profession but their dedication to community building. The men and women who are in uniform in my riding are also very active members of the community. They get involved in coaching sporting teams. They're involved in charitable organizations. They are really embedded into our communities.

One of the remarkable things I found when our committee travelled abroad to visit some of our troops in Latvia and Ukraine was just the incredible amount of professionalism that was on display, the way that commanded the attention of our colleagues from other nations, and how they were receiving Canadians in particular. I was very happy to see in the defence policy review real and solid dedication toward supporting men and women in uniform being the number one and main focus. I'm wondering if you can provide an update in terms of the supplementary estimates and how you are investing in the forces, most importantly, in our men and women in uniform.

Hon. Harjit S. Sajjan: In terms of the experience you had, I was very happy to see the committee out meeting the troops on real operations. We get to see them here in uniform, but it's hard to really get a good appreciation until you see them in action. More importantly, as you stated, you get the reactions of other people to what they are doing.

This is one of the reasons why, in the supplementary estimates, the pay raise is so important. By having an over 6% pay increase, we are able to make sure we are thanking them. More importantly, this pay raise is not about just now; it is actually retroactive, going back to 2014. They were getting their lump sum cheques back in June.

When we launched our defence policy, we wanted to make sure our members felt that we were looking out for them. One of the reasons we also put in place the tax-exempt compensation for international named operations was that those impact the members as well as their families.

Our defence policy not only puts significant emphasis on our people but it's also to remind everybody about their families. That's why we're investing heavily in the MFRCs and building that resilience. We still have a lot of work to do, because we have to implement the defence policy. That resilience piece is also going to be extremely important. As we jointly announce the suicide prevention strategy with Veterans Affairs, we're going to be working on and finalizing the plans for how we're closing the seam and having that seamless transition from the military.

We are absolutely seized of this, and we're going to continue to work hard. That pay increase was one way of starting.

Mr. Mark Gerretsen: Minister, you touched on something else I was going to ask about, in particular, supporting our military personnel from recruitment right through to retirement and beyond and, equally importantly, supporting their families. I know that CFB Kingston has a very active military family resource centre that helps military families, particularly when their loved ones are abroad.

These programs and resources, as you have indicated, are important, and you touched on the pay and benefits aspect of it. I'm wondering if you can comment not just on the benefits part of it but on how important it is to make sure the families are also taken care of at home when their loved ones are abroad, and what that means not just for the family members here but also for the performance of our personnel abroad.

(1550)

Hon. Harjit S. Sajjan: You raise a good point.

I think that for all Canadians, when they go to work, if things are not good at home—if they have a sick child at home and they're thinking about them—it's sometimes hard to focus on work. Imagine for someone in the military who is deployed how difficult it can be when they physically can't actually be there.

Putting those resources into place is giving the member and their family a sense of confidence. We are also making sure that the wider Canadian Armed Forces have the support structure in place so that a member's family also feels that they are going to be looked after. When their family member is deployed, they have the extra burden of not knowing what they are doing. The family member who has been deployed knows exactly what they are doing, but they are missing their families.

It's an extremely difficult time, and we want to make sure they have the right support structure. That's why the investments in the MFRCs are so important. More importantly, we want to make sure the MFRCs and the support structures on the base actually cater to the different types of needs each base has.

One particular example was that of a single mom who was a military police officer working the night shift and who couldn't get day care. Adjustments can be made to those things now within the bases, because we're putting investments into the MFRCs so that she can actually go to work and not have the extra burden of finding someone to look after her child when she has to do night shifts.

Those are tangible examples I can provide to you of how deeply we're looking at this.

Mr. Mark Gerretsen: Thank you.

The Chair: Mr. Hoback.

Mr. Randy Hoback (Prince Albert, CPC): Thank you, Mr. Chair

Thank you, Minister, for being here.

It's funny: my furnace never breaks down when I am at home; it always breaks down when I'm gone, so your comments about being away and taking care of your family are very important, for sure.

In your opening remarks, you talked about the vision for defence and what we need to get our troops and our forces the appropriate tools. I'm going to look at the navy side of things at this point in time and the Canada surface combatant plan we have in place with Irving Shipbuilding.

We understand that November 30 is the final deadline for proposals to be submitted. There's been some expression of frustration with the process, given the combination of the 50 changes in design that were requested of the bidders and then, of course, regarding the intellectual property they have to voluntarily give up as they make their proposal. How are you dealing with that, and how many of the bidders we had at the start are still there and are going to be putting proposals in place tomorrow?

Hon. Harjit S. Sajjan: Our national shipbuilding strategy is a nation-level strategy to make sure that our navy has the right ships for well into the future.

Mr. Randy Hoback: I only get seven minutes, so you'll have to be fast, please.

Hon. Harjit S. Sajjan: Sorry about that.

We'll find out how many bids have come tomorrow when it closes. We're confident that the process we have undertaken has been robust enough and fair enough so that many companies can compete.

Some of the issues that you talk about, like intellectual property, have been addressed.

Patrick Finn can speak to it in more detail.

Mr. Patrick Finn (Assistant Deputy Minister, Materiel, Department of National Defence): Thank you, sir.

There were no design changes made in the RFPs, so our requirements have remained unchanged. After the first round of evaluations, we got some really good feedback on how to improve and streamline, so the changes we made were all about how to streamline the evaluation.

On intellectual property, there are very different views from the bidders. We've taken a middle ground. We clearly have to protect the taxpayer. This is a ship that will be in service for 50 years. We want

to make sure we can maintain the readiness of the Royal Canadian Navy for those 50 years. I would say, on some of the parts that were not just contentious but on which bidders had different views, we've set them aside such that we've created a process in which we've said that, for the most competitive bidder, we'll spend 45 days negotiating the final intellectual property rights to try to deal with the disparate views.

It really is different around the world. The problem is that the feedback we got was so different that you could not write a set of intellectual property clauses for everybody.

• (1555)

Mr. Randy Hoback: With this, you've created some delays, of course. We've delayed out to the 30th. Now there's talk about a construction gap that's going to happen at Irving shipyard. How are we going to deal with that, and what's your plan to make sure that gap isn't there?

Hon. Harjit S. Sajjan: Can I get the first part of the question again?

Mr. Randy Hoback: With the delays, you're going to see what they call a construction gap at the shipyard, with layoffs and unemployment as a result. There could be costs of some \$3 billion in the ships because of that.

Hon. Harjit S. Sajjan: We started out by creating the national shipbuilding strategy, and we were kind of kick-starting our industry. We knew early on that a lot of work needed to be done, but in time, as things get better with the workforce—they have better trades and more experience—this will improve.

We're working very closely with Minister Qualtrough on this in trying to address some of those gaps. We have teams embedded directly with the shipyards to be able to speed up the process and decision-making.

We knew they were going to have delays, but through time, we're hoping that some of these delays are going to be decreased because of the efficiency they will be able to create.

Mr. Randy Hoback: Would you be able to give this committee a timeline now that's updated with the current delays and relevant information?

Hon. Harjit S. Sajjan: No, not at this time. In terms of the time frame that we have to discuss, I'd be happy to provide an update down the road.

Mr. Randy Hoback: Do you have any idea as to when down the road you'd be able to provide that?

Ms. Jody Thomas (Deputy Minister, Department of National Defence): After the first AOPS is complete, we'll have a better idea of the total timeline to finish the AOPS. Then we'll be in a different process.

Mr. Randy Hoback: Do you have an approximate date?

Ms. Jody Thomas: In the spring.

Mr. Randy Hoback: That works for me.

Moving on to joint supply ships, as you know, Seaspan is building new joint supply ships, and we went in and leased a ship, I understand, from Davie so that we have one ship for the interim.

Are we looking at leasing a second ship so that we have a ship on both coasts? Do you believe it's important that we have a supply ship on both coasts?

Hon. Harjit S. Sajjan: I think it's very important to note and clarify things here. For the defence policy, and from military advice, we needed two joint supply ships, and those are being built by Seaspan. Because we had lost that capability, we were mitigating some of that support through the work from Chile and Spain. They were supporting us through smart scheduling and making sure that, when our ships deployed, they were with other nations that could support them. We felt that, because of this gap, we needed an interim measure; hence, the reason the request was made for one interim ship, and that's what we have now.

We're very happy that Davie was able to fulfill those needs for us, but the interim capability gap is the one ship that Davie is completing now. The rest will be with two joint supply ships.

Mr. Randy Hoback: You must be concerned about the progress of the joint supply ships with Seaspan. Construction of these ships is going to begin at the end of this year and, of course, that has now been pushed back. In fact, they're still working on some icebreakers and research vessels, I understand.

The cost is obviously going to go up as we keep pushing these supply ships back. How are you accounting for that, and what are you doing to get it back on stream and back on a timeline so that we get into a scenario where we can see ships we can still afford?

Hon. Harjit S. Sajjan: We've been working from day one in terms of making the process more efficient. We've done some pretty good work initially to get some of the process piece down, making it more efficient. I'm confident that as we progress, with time things will get better. These are understandable growing pains because this is a very large project that we have started, but I'm confident that things will be more efficient as we move forward.

Mr. Randy Hoback: Thank you.

The Chair: Thank you for the answer.

Randall Garrison.

Mr. Randall Garrison (Esquimalt—Saanich—Sooke, NDP): Thanks, Mr. Chair.

Thank you, Minister, for being here today. Being from the west coast, I'm very glad to see additional funding for the search and rescue aircraft. It's very important to us.

I also thank Mr. Hoback for asking some questions about naval shipbuilding.

I think you know that the NDP remains very committed to the shipbuilding strategy, but also to seeing that strategy as a floor, not a ceiling. We know that there's other work needed for the navy that might be able to go to other shipyards.

Today we have the privilege of having some representatives of DND civilian employees from my riding here in the room with us. I'm very proud to have 1,060 Public Service Alliance members in my riding. That includes nearly 1,000 civilian employees of DND. I'm not so proud to say that 60% of them have Phoenix pay problems, and those pay problems are very serious.

We have with us today—and she's given me permission to say this—a civilian employee who is a single parent who has been underpaid for over a year and is now worried that when eventually she is paid, there will be some large lump sum payment that will have tax impacts and impacts on other benefits. Frankly, it will be almost impossible to figure out whether this person has been properly paid or not and, in the interim, she has to make hard choices for her family because she's being underpaid.

My question for you is, have you received reports from DND about the impacts these pay problems are having on the morale of people who are working there, on the time it takes away from the jobs they're supposed to be doing, on the impact to their families, and the impact on things such as employee retention? Have you received reports on those impacts? I know that you don't do Phoenix yourself, but I'm concerned about the impact on the employees and the functionality of the Canadian Forces.

● (1600)

Hon. Harjit S. Sajjan: Mr. Garrison, when I said we were looking after our people and we put this in our defence policy, it's a responsibility for all of us, as a minister and all the way down, in making sure of these issues.

I don't know where she is. Is she here?

Hi. First of all, I want to personally apologize for what you have to go through. It's completely unacceptable. This is one of the things where every department, including ours, is working extremely hard. Yes, I will speak to the deputy minister every single week about this, making sure that even for individual issues, how we are addressing them and where we have been working on certain measures....

Deputy, do you want to talk about some of the measures?

Ms. Jody Thomas: Thank you for the question.

Phoenix is an issue that we talk about daily, and almost hourly some days, within the Department of National Defence. We are 10% of the public service, and we are 10% of the problems. There are 16,000 employees affected by Phoenix right now. We treat every single one of them as critical.

If I get the details of your situation, I will personally look into it. I've made that offer at every town hall I've done. An employee can email me directly and tell me about their situation, and we'll do everything we can to move that file forward.

DND was one of the departments spoken to by the Auditor General for the most recent report. We were very honest about our situation. I'm on the deputy ministers steering committee that is looking at Phoenix solutions. I'm working very closely with PSPC and Treasury Board to find solutions throughout the governance. Our CFO has issued over \$2 million in emergency salary advances, and we do everything we can to assist, but my plea to the employees within the Department of National Defence is to please tell me what's going on, because I can't fix what I don't know.

Mr. Randall Garrison: Thank you for those responses, but I think the reason the representatives are here today is that they're trying to tell you that a case-by-case approach will never fix this, and they're going to need some more general things to take place and some hiring of personnel to be on site to deal with payroll programs.

Hon. Harjit S. Sajjan: On that note, one of the things in your question was regarding if we do get briefed. I'm just giving you the level of detail that we go into in making sure that each case is looked at, but more importantly, for the wider piece of it, no, this is something that we're taking very seriously. While we're taking the wider government approach to this, I also want to say that I've been working with Minister Qualtrough on our recommendations for what we can do to support some of those changes within, so that we can be part of the solution while the bigger problem is being looked at.

Mr. Randall Garrison: Thank you.

Mr. Minister, just over a year ago this committee voted unanimously to request you to authorize the military ombudsman to begin to revise the service records of those who were kicked out of the Canadian Forces for being gay, lesbian, bisexual, or transgender. Now that we've had the apology in the House of Commons, my question for you today is, do you intend to authorize the military ombudsman to revise those service records, or are there some other actions that you will be taking to right the wrongs that were committed with these dishonourable discharges?

Hon. Harjit S. Sajjan: First of all, I think as you do that yesterday we were very proud while at the same time saddened that we even had to make an apology like that for what had happened. In terms of the process, this is about fixing those records. Absolutely, those are going to be done. We're encouraging people to come forward so the process is now going to begin. I got to meet with many people who actually told me their personal stories, so absolutely we're going to be working towards that. There are a few other things that we're going to be working on as well, but it's too early to talk about that just yet. We want to make sure that we can right this wrong in the best possible way.

● (1605)

Mr. Randall Garrison: I appreciate your response. I thank you for your concern on this, but we're still going to have to wait. People have waited decades for this to happen. When will that process be in place and how soon will this actually get started? The military ombudsman, for instance, said he has the staff and the expertise to actually start doing this, so if you have some other process in mind that's much slower than that, I guess my question would be, why?

Hon. Harjit S. Sajjan: I want to make sure that this is actually done. I think there is absolutely no disagreement among any of us. We want to move as quickly as possible. We want to make sure that we actually honour that proper commitment, that it's done well. In addition to that, there might be even other issues that I even heard about yesterday. So I want to make sure that these other things are addressed.

I want to throw it to General Lamarre to answer with a little more detail as well.

Lieutenant-General Charles Lamarre (Commander, Military Personnel Command, Department of National Defence): Thank you, sir.

Ladies and gentlemen, I'm the commander of military personnel command. It will be our responsibility to do full implementation including looking at all the records to make sure that the records of those people who were released from the Canadian Forces at that time are amended to reflect exactly the decision that was taken and the apology of the government. Of course, we'll be working very closely with the ombudsman to do that specifically.

Mr. Randall Garrison: Thank you very much.

The Chair: Thank you.

Darren Fisher.

Mr. Darren Fisher (Dartmouth—Cole Harbour, Lib.): Thank you very much, Mr. Chair.

Thank you, Minister, and your team for being here. I always appreciate having you before us.

Minister, Nova Scotia has a proud and successful shipbuilding heritage, and as you know, Irving Shipbuilding is located in both the ridings of Halifax and Dartmouth—Cole Harbour. As you also know, they are the prime contractor for the Canadian surface combatant program, both for project definition and for the implementation phases. We have tradespeople from all across Canada working in the Halifax regional municipality building ships and planting roots. We have the schools ramping up training. We have indigenous pilot programs. We have Women Unlimited. We have some really incredible things going on back home. Folks are eager to get the surface combatant project under way as soon as possible. I'm really pleased to see funding in the supplementary estimates for this project. I wonder if you could fill me in on what the government is doing to keep this very important project on track.

Hon. Harjit S. Sajjan: First of all, we look forward to the final bids tomorrow. When it came into this portfolio, even before we started the defence policy review, we were looking at it in terms of how to create the national shipbuilding strategy even faster. It's one of the reasons that we looked at changing the process in terms of making sure we go to one system that is just competing the design. In terms of moving fast on this there is no person probably more eager than I am, and I'm probably more eager than any of the navy personnel—

Mr. Darren Fisher: Or me.

Hon. Harjit S. Sajjan: —or you, yes—to get this done. This is so important. We also have to remember that this is not just the building of the ships, but the life cycle, the work that is going to be needed, and what is still going to be competed into the future. This has significant opportunities across Canada as well.

Mr. Darren Fisher: Something that I talk about quite often at the environment committee is greening government services. That's something we see every day. I firmly believe that we need to set an example up here at the top, in the federal government. The defence policy states that National Defence will take steps to reduce its carbon footprint in line with federal greenhouse gas reduction targets and protect nature.

Can you let me know what your department is doing or going to do to help green government services?

Hon. Harjit S. Sajjan: First of all, in our defence policy we have \$225 million of additional funding to invest in greening, for us to do our part in reducing greenhouse gas emissions. One of the things I want to be able to stress is that this is not just about the dollars. This is about doing it in a smart manner, taking the right places where we have the greater greenhouse gas emissions, putting the right money, and how, at the same time, we allow our industry to benefit as well. We're already looking at certain projects, and we will do our part.

More importantly, what I'm more excited about, is the innovation piece, how we can use this opportunity to look at what the Canadian Armed Forces are going to look like in the future. We know from battery systems and the new types of fuels, those are the types of things.... In addition to what we're doing in greening, we're going to be looking at the innovation piece, our innovation agenda, how we're going to be looking at using that piece to solve some of the problems of the future as well.

• (1610)

Mr. Darren Fisher: Minister, I'm so glad you said that. I really appreciate that thoughtful answer. I hope that's the way we're moving in the future, because you're right. It's not just a challenge; it's our biggest opportunity. Thank you.

Is there any more time left?

The Chair: Yes, you have about three minutes.

Mr. Darren Fisher: I'll pass this on to my colleague.

Ms. Leona Alleslev (Aurora—Oak Ridges—Richmond Hill, Lib.): Thank you very much.

I want to change the conversation a little. We are at a time when we're witnessing unprecedented global instability. While I don't have any military installations in my riding of Aurora—Oak Ridges—Richmond Hill, we have a population that's quite concerned about our role in the world and about the instability we're seeing. They were very pleased, as was I, to see that being engaged in the world is really an important part of the defence policy review.

As a former air force officer, and someone who is privileged enough to be married to an former air force fighter pilot, it was pretty amazing for me to have the opportunity to go to Bucharest, Romania, with the NATO Parliamentary Assembly and meet some of our operational fighter guys over there. I wonder if you could give us some idea of what exactly they're doing and why it's so important to our new defence policy.

Hon. Harjit S. Sajjan: I'm glad you raised that point, because being engaged in the world is saying something, but how do you demonstrate it meaningfully in the world? As I've stated in the defence policy and to our government, multilateralism is extremely important. No one nation can do it alone, so we've re-engaged, whether it's been Operation Impact as part of a coalition and in NATO.

Within Romania, the air policing we've added is just one of the things. We have a consistent frigate as well. We're leading a battle group in Latvia. Outside of NATO, we're in Ukraine as well. In stepping up, more important is what message it is sending. We're taking a leadership role in NATO and demonstrating that deterrence works, demonstrating the importance of NATO to our other allies as well. The best example of saying how to know it is working is our

battle group in Latvia is the most—if I can use the word—multicultural battle group compared to the rest of them. We have nations from all across...from the west, from the south, from the east, that are part of it. It makes it more challenging to manage, but it's a good challenge that the military likes because they get to learn from one another. To me, that was the best demonstration.

When the secretary general of NATO came down for the initial operational capability ceremony, he said that the ceremony that we had, when you have so many nations, is sending a phenomenal message to Russia. It's one battle group, but when you have so many nations coming together, working with one another, you're sending the best message of deterrence, so we are having that impact.

The Chair: You're right on time. We're going to go to five minute questions now.

Mr. Spengemann, you have the first five-minute round.

Mr. Sven Spengemann (Mississauga—Lakeshore, Lib.): Mr. Chair, thank you very much.

Minister, thank you for being here along with your senior team. It's great to have you back.

The Canadian Forces are about the people we have. It's about excellence at the level of individuals, teams, and leadership, but it's also about making sure that we give our Canadian Forces the best equipment to make sure they can be at the top of their game.

I wanted to take the opportunity to ask you a bit more about two appropriation items. Those are the fixed-wing search and rescue aircraft, and also the LAV III upgrade project. The voted appropriations are \$161 million and \$57 million, respectively. Can you tell the committee about the Airbus C295W, and also about the LAV, and how important those two assets are in the respective areas of search and rescue and overseas operations?

Hon. Harjit S. Sajjan: Thank you for the question. I think this is the one project—I think it's been 12 years—that I was very happy to be able to make the announcement on.

Search and rescue capability is something that we all know is important to Canadians. More importantly, given the complexity with climate change in the north, we are the last resort. We need to have the best equipment, and these aircraft are going to provide a phenomenal capability.

I got to attend and participate in the SAR tech graduation ceremony in Comox which was nice. They talk about it helping their ability to locate much faster because of sophisticated equipment, so this is going to be an extremely fundamental change in how we do search and rescue. I'm looking forward to this, because it's going to help save lives and I'm happy about that.

On the LAV project, I'm also happy to say that originally the upgrade of the LAVs didn't include all of the LAVs in our inventory, and this allows us to increase basically all the complement of LAVs that the army needs. That's very important. Otherwise, we had to work out some other factors and maybe not actually have enough LAVs. This actually does that. That's how important this project is. It gives the army the proper mobility moving forward.

I just want to throw this to the vice-chief to comment on that.

Lieutenant-General Alain Parent (Acting Vice-Chief of the Defence Staff, Department of National Defence): Thank you for the question.

First of all, the Airbus aircraft, the 295, is going to be replacing sixties vintage aircraft, our Buffalo and Hercules H models. It's replacing legacy aircraft with legacy technology with new sensors, modern navigation, flight planning capability. It's going to be greener, just by the nature of the technology, and there are also state-of-the-art simulators for the training of our air crew. It's also going to be night-vision goggle compatible, which will make our mission much more effective at night.

As for the LAV, it upgrades the chassis and improves the mobility and protection of the fleet. It provides improved protection against large improvised explosive devices, or direct attack weapons such as propelled grenades.

Both of these capabilities are great enhancements for our men and women in the Canadian Armed Forces.

Mr. Sven Spengemann: Thank you very much for that.

Minister, to go to a second theme, this government is about investment, investing in Canadians, in people and the economy, investing socially, and investing in our armed forces. You mentioned briefly in your introductory comments that we've had a number of lapsed budget items since 2008—I think to the effect of \$2 billion, if I recall your testimony—and that we now no longer have lapsed funds.

I wonder if you could clarify for the committee and elaborate briefly on how important it is that we don't have budget items that simply lapse.

Hon. Harjit S. Sajjan: I'm very happy about this and the great work that the team has done so that we don't have lapsed money. This took a lot of work by the team.

I just want to throw it to Claude, who has done tremendous work on this.

Mr. Claude Rochette (Chief Financial Officer and Assistant Deputy Minister, Finance, Department of National Defence): Thank you, Minister.

Basically, we have been working over the past two years with central agencies, especially the Treasury Board Secretariat, to look at how we can manage our budget at National Defence so we can reuse the unspent funds we receive in the year.

If I look at two years ago, for example, we would have had a project that would need additional funding, like \$600 million, and another project that would have some delays and we would not

spend \$100 million. In the old days, we would have requested \$600 million, and we would have kept the \$100 million and just returned it at the end of the fiscal year.

In lieu of now looking at each capital project one by one and so forth, we look at them as a portfolio. We manage all the funding that we have, and we have the funding only when we need it. Based on that, we have been able to reduce our lapses from three years ago, \$2 billion, to less than \$850 million this year.

Mr. Sven Spengemann: Thank you for that. That's helpful.

Mr. Chair, thank you. **The Chair:** Thank you.

Mr. Yurdiga.

Mr. David Yurdiga (Fort McMurray—Cold Lake, CPC): Thank you, Mr. Chair.

I would like to thank the minister for taking time out of his busy schedule. I know you're all over the place and a lot of work has to be done

My first question, Minister, is on whether you are willing to provide new briefs to the committee on whether the RCN has any evaluations on running our auxiliary oil replenishment.

Hon. Harjit S. Sajjan: I'm sorry, I don't understand the question. Could you repeat it, please?

Mr. David Yurdiga: Are you willing to provide any briefs to the committee on whether the RCN has any evaluation on running our auxiliary oil replenishment?

Hon. Harjit S. Sajjan: Are you talking about the joint supply ships?

Mr. David Yurdiga: Yes.

Hon. Harjit S. Sajjan: Do you mean our plans on how we run

Mr. David Yurdiga: Yes.

Hon. Harjit S. Sajjan: Not the interim one, right? I just want to make sure I have the proper clarification here. It's the two joint supply ships, right?

Mr. David Yurdiga: Yes.

Hon. Harjit S. Sajjan: Absolutely. During the defence policy review that we conducted, a lot of work was done in making sure that the navy that we're going to be fitting for the future is going to have the right support. This was the advice that was given in the work that was conducted by the military. That's the reason we have all the necessary equipment needed, and the joint supply ships are so essential.

This is why I talk about capability gaps. If you don't manage your equipment well, you're going to lose that capability. Right now we're in that situation for the navy and hence why we're very keen to make sure that the joint supply ships come online as quickly as possible. It's so that they support the future of the navy.

Vice-Chief, do you want to add anything further to that?

● (1620)

LGen Alain Parent: There is a clear requirement that we need two joint support ships and in the meantime we have the AOR interim. The requirement is there. They should be able to sustain and operate forward. If you cannot do that, then you have to rely on others, or you have to, just like when we went to the hurricanes. We had to stop en route before we did the humanitarian aid in the Caribbean because we didn't have integral resupply and refuelling.

Mr. David Yurdiga: Can we get briefs on both and also the interim supply vessels, if that's possible?

Hon. Harjit S. Sajjan: Are you looking at additional information on—

Mr. David Yurdiga: Yes.

Hon. Harjit S. Sajjan: —briefs on the joint supply ships, how they operate? I just want to make sure.

Mr. David Yurdiga: Evaluations.

Hon. Harjit S. Sajjan: Evaluations on....

LGen Alain Parent: Evaluation on the procurement or evaluation of what they're going to do?

Hon. Harjit S. Sajjan: I just want to make sure I get it correct. Are you talking about the evaluations of the defence policy review on what was needed, the number, or are we talking about how they operate?

Mr. David Yurdiga: How they're performing. Obviously, there's a gap right now.

Hon. Harjit S. Sajjan: Right now, we don't have the joint supply ships. They're in the process of being built. Right now, the current system that we have is we had to outsource some of our support or do smart scheduling. One of them was we worked with Chile and Spain to provide that support. That's the reason why, when we looked at the scheduling for the two joint supply ships, we felt that we needed an interim capability to be filled and hence it's why we went with this option that Davie was awarded the contract for.

I'm happy to provide more information on that piece of it.

Mr. David Yurdiga: Thank you.

I'll go to my next question. On February 23, 2017, in the House of Commons, you stated that we will not be buying used aircraft for our air force. Is this statement true?

Hon. Harjit S. Sajjan: On that note, what we're committed to doing is we are committed to making sure that we replace our fighters. We committed in a program, a three-step program, to do this. There are three parts to it. One was to have a full competition to make sure that we picked the right aircraft. Part of the defence policy review that we did, the analysis that we conducted, was that we cannot risk manage our NORAD and NATO requirements simultaneously. That's the reason the number 65 that we had from the previous government wasn't going to be enough. We have increased it to 88. Eighty-eight, that's the number we'll be competing for.

In addition to that, the other step is also to invest in the legacy fleet, to manage that transition period. But to give us that ultimate assurance, we need to fill the intercapability gap. We were, at that time, on a path towards working with the U.S. government on an option to look at the Super Hornet. Because of Boeing's action to take an unprecedented approach on attacking our aerospace sector, we felt that this was unacceptable. Hence, that's the reason we started looking at other options.

Yes, right now, because of the situation that changed—we can't allow our aerospace sector and our jobs to be undermined by a U.S. company—we had to look at other options. That's the reason I and the department are currently looking at other options with Australia.

The Chair: That's your time, Mr. Yurdiga.

I'm going to give the floor to Mr. Robillard.

[Translation]

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Thank you, Mr. Chair.

Welcome, Mr. Minister.

Let me also welcome the other witnesses.

The appropriations to be voted on include funds for the military personnel management capability transformation project. Can you give us more information on the way in which you see those funds being used, and what the transformation project is all about? Are the funds going to provide better service in managing the files of military personnel?

[English]

Hon. Harjit S. Sajjan: Thank you very much for the question.

When it comes to looking after our personnel, we are not only putting our money into it, but we're also making sure our policies reflect that. Hence, that's the reason we requested \$1.8 million in vote 5 of the statutory funding for a new military...management of our personnel, a new project. I'll let the general talk more about that.

What we want to do in this case.... It's not just about putting the money in the right place. Managing our people—making sure their careers are managed, their health is looked after, building their resiliency—does require, when you have that many people, having a really good system in place. We felt we needed to modernize our system. General Lamarre can talk in more detail about the system.

• (1625)

[Translation]

LGen Charles Lamarre: Thank you, Mr. Minister.

The funds will be used to automate the system. The automation is already under way, and it will get us to a higher level. More specifically, the beneficiaries will be the members of the reserve.

At the moment, we are moving forward to make sure that the two pay systems we have at the moment, one for the reserve and one for the regular forces, are harmonized, so that there are no interruptions or differences between the two systems.

People are receiving the pay to which they are entitled, but this will simplify the way in which that happens. In the long term, the main advantage will be to simplify the way in which members of the Canadian Armed Forces can make a transition between the regular forces and the reserve.

Our intent is to make the path much simpler for all members of the Canadian Armed Forces, including the ability to have a full-time career or a part-time one, and to allow a break in their service from time to time, so that they can do the other things they want to do with their lives.

Modernizing the system by computerizing personnel management gives us more flexibility to do that.

Mr. Yves Robillard: Thank you.

Among the transfers is one for the ongoing operation and maintenance of the Resolute Bay facility and for related logistics support to the Canadian Forces Arctic Training Centre.

Could you tell us more about the benefits our forces will get from maintaining our facilities at Resolute Bay?

[English]

Hon. Harjit S. Sajjan: I think it goes without saying how important is the ability of the Canadian Armed Forces to operate in the Arctic. With the changes, and the changes in new technology, we need to make sure our personnel have the right training, because it really does take specialized training.

I had the privilege of working with a lot of the rangers. You get to see the difficulty that the Arctic faces. To make sure we have the right capability and our people are trained up to that level, we need that training centre. That's what this Resolute Bay training centre does. That's the reason we're putting those investments in there, to make sure our personnel always stay on the cutting edge, especially as we put greater emphasis on the Arctic.

Mr. Yves Robillard: Thank you.

Do I still have some time?

The Chair: You have 50 seconds for a question and response.

Mr. Yves Robillard: I'll pass it on to my colleague.

Mr. Sven Spengemann: I'm sorry, is it 50 seconds, Mr. Chair?

The Chair: It's 40.

Mr. Sven Spengemann: Thank you very much.

Minister, could you tell the committee your reaction to yesterday's announcement?

Hon. Harjit S. Sajjan: I think all of us, and Canadians across the country....

For people who wanted to put the uniform on to serve their country, who wanted to make a difference, who signed on the dotted line, who were willing to give up their lives for their country, who were taught about fighting the enemies of the country, to one day be told, "No, you are the enemy", no apology can take away the hurt, the guilt that was created for those people, but this is a start. The healing started yesterday. We still have a lot of work to do. We have to look at every single individual, and not just by their files, but by who they are, what they went through, to make sure we give that confidence back.

This is a start, but we have a lot of work to do.

Mr. Sven Spengemann: Thank you very much.

The Chair: Thank you.

Ms. Gallant.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Thank you, Mr. Chairman.

Through you, yesterday North Korea fired another missile. It was a test...13,000 kilometres. B.C.'s coast is less than 10,000 kilometres away.

I see in the supplementary estimates (B) that there will be funding for radiological, nuclear...the \$14,529,500 line. Is any of that money going towards mitigating, preventing...or protecting Canadians from a potential nuclear missile attack?

Hon. Harjit S. Sajjan: On the funding we have, I'll answer the question about the support that our Canadian special forces provide. This is a very specialized capability. They need to stay at the cutting edge of this to make sure that regardless of whether it's nuclear or biological they have the right training and the right equipment.

On your bigger question in terms of an actual attack, that is far greater. For example, we work very closely with our allies, especially the U.S., when it comes to monitoring the situation with North Korea. From day one, we started looking at the various threats. We look at this from a defence policy review perspective, hence the reason why we had this committee look at what I felt was probably the most important piece of the defence policy, which is the security side of it.

● (1630)

Mrs. Cheryl Gallant: Okay, but are we protected? Canadians need to know if we are protected, because now one can reach our mainland. Are we protected from a national defence point of view?

Hon. Harjit S. Sajjan: In terms of your question, those missiles can actually reach almost anywhere in the world, right? We're monitoring this very closely. We are looking at not only what we have right now with the work we do with NORAD, where we have a seamless transition in terms of the reporting that happens to the actions that are taken, but more importantly, at what we have to do get them to de-escalate. That's why diplomacy is so important while we work from the defence side of things.

On that NORAD modernization piece that I've talked a lot about, we have to look at not only the current threat we face, but this is also a defence policy for into the future. I want to make sure that we look at all perils or threats. On the air threat you talked about, absolutely, we need to be very concerned about that, but we have to look at the land and we have to look under the water as well.

Those are the things we're going to be looking at. That's one of the reasons why we put it right in the defence policy as to how we're going to be doing the NORAD modernization and, plus that, the north warning system.

Mrs. Chervl Gallant: All right. Thank you very much.

You talked about the back pay and money going towards "environmental and special allowances". We know that the special allowances for the special forces were clawed back if members are injured and have not recovered within 180 days. Is any of that money you mentioned going to be ameliorating the situation where these special forces had no advance notice that their allowances were going to be decreased and, in some cases, clawed back?

Hon. Harjit S. Sajjan: Ms. Gallant, I think one of the important aspects.... We have to make sure that we don't put out disingenuous information. We're committed to making sure that we support the Canadian Armed Forces, and it's incumbent upon all of us in terms of making sure that for the policy we put in place we get the right advice, and that where it's not being done well, we give the right advice. I've been extremely open about this right from day one.

We've increased the pay. In fact, we've actually retroactively gone back to 2014. You have to answer the question: why wasn't the pay raise given back in those days? We've backdated pay to 2014 and increased the benefits. We're actually not only putting the right benefits in place, but also, the chain of command, from the chief of defence on down, is making sure they have the right system to look after the people.

I'd like to throw this to the vice—

Mrs. Cheryl Gallant: I have very little time left, sir, so—

Hon. Harjit S. Sajjan: I'm happy to get the vice-chief to answer some of that question for you.

Mrs. Cheryl Gallant: I know why there was a delay: their increases are tied to increases for other civilian forces employees.

Is any of this money going towards the announced "seamless transition" of pay when soldiers are medically released? On June 7, you announced that, starting then, when people are released, they won't have to wait months and sometimes almost a year to have their medical pension start. They've already lost their pay because they've been medically released, nor do they have the medical treatment in place. Is any of the money going towards that?

You also mentioned that we were going to be divesting ourselves of certain real estate. Could you provide a list of the different armouries and other real estate? Armouries aren't just for recruiting and training. They're also community centres. It's really important that the different communities know which armouries are on the list to be closed.

The Chair: Unfortunately, there's no time to answer that. I'm sorry, Minister. I'm going to have to yield the floor to Ms. Alleslev.

Ms. Leona Alleslev: Minister, I note that the supplementary estimates also include funds for the United Nations Peacekeeping Defence Ministerial Conference that was held recently in Canada, in Vancouver. I also note that one of the conversations we were having was around peace, women, and security. I know that we have United Nations Resolution 1325. NATO also has a corresponding resolution 1325. The UN has had it since 2000, which is 17 years ago. Can you give us an idea of what Canada is proposing in terms of women, peace, and security, and again, why now and why Canada?

• (1635)

Hon. Harjit S. Sajjan: I was very proud to host over 80 nations to talk about peace and support operations around the world and

bringing in new initiatives. As you just stated, resolution 1325, look how long ago it was. It was about what are we going to do about women, peace, and security. Our numbers on peace operations have minusculely increased. What we want to do as Canada is look at where the needs are of the United Nations and also contributing nations, if we're now going to be re-engaging. That's what we're trying to do. The initiative that Minister Freeland announced is going to have overall the wider impact of encouraging other nations to increase their women and peace operations. More importantly, the first issue we have to address, which allowed us to have this discussion in Vancouver, was the need to increase the number of women in our armed forces if we're going to increase the number of women in peace and support operations. We had a lot of discussions about that, too.

I don't think I need to go into the research side of why this is important. This is the right thing to do if you want to reduce conflict, but more importantly, our initiatives, which we outlined, were about helping to improve the system and doing it in a way that it's what the UN wanted. They wanted smart pledging, making sure that in missions that are there, for each mission, one nation provides the capability, and then it's pulled out, making sure they have all the right capabilities seamlessly through until the conflict reduces. That's what we're trying to achieve.

I was also very proud of the Vancouver principles that are preventing child soldiers. I want to give tremendous kudos to General Dallaire on this. Reducing the number of kids being recruited into these organizations is going to reduce conflict. This is another opportunity for us, for Canada, to step up and offer an initiative on how to do this, and put it into our training system. I'm very proud, and I'm very excited about the implementation of this.

Ms. Leona Alleslev: You mentioned, of course, that in order to lead by example and contribute more women to peacekeeping operations, we need to have more women in the military as well. Now, I was a female in the military in the 1980s and 1990s, and we set targets back then to achieve 25%. If we look at the stats, we maybe haven't achieved that yet.

I notice in "Strong, Secure, Engaged", that we have set real targets, and it's exciting to see. I know that, with the conversation that's going on and the things that you've been doing, this time it's different. Can you give us some idea of how it's different? Why now, and why is Canada positioned to be a leader in this conversation?

Hon. Harjit S. Sajjan: First of all, I think it goes without saying that you can't ignore 50% of the population. I said this when I was in Halifax at the Halifax International Security Forum, and naysayers just have to get over it. What's different now is the fact that leadership matters, and we have the right leadership, the right leadership from our Prime Minister. We have the right leadership within our military, and it's going to be infused all the way down. Plus, it's also an important thing to do.

There's a lot more work that needs to be done on this. This is about making sure that we have the right structure in place to get the right talent to come up, making sure women also have those key leadership positions, and making sure we have the right mentors to take the response. I know that General Vance is absolutely seized with this.

Ms. Leona Alleslev: It certainly is a difficult topic, and there are still many not just in the military but in society who are saying, "Well, yes, but women don't belong. There are certain roles for women, and certain roles not for women, particularly in the military." Even the people in my riding are saying, "Well, are you really sure? The door is open. The reason you don't have women in the military is they're not interested in doing this, and they really shouldn't be, anyway."

How can we as civilians, how can we as citizens in Canada, not only in uniform but out of uniform, further this conversation to really make the point why women in peace and security matter?

• (1640)

The Chair: Again we're out of time, so unfortunately, I'm not going to be able to let you answer.

Yes, Ms. Gallant.

Mrs. Cheryl Gallant: Before you dismiss our witness-

The Chair: We have one more question.

Mrs. Cheryl Gallant: Okay.

The Chair: Mr. Garrison, you have the floor.

Mr. Randall Garrison: Thank you very much, Mr. Chair.

I am proud to represent CFB Esquimalt, home of the Canadian Pacific fleet.

These estimates are our chance to ask accountability questions. Last year, after you had to leave, I talked to General Vance about this. A lot of facilities on our base and in many bases across the country still have asbestos in them.

We have had Canadian Forces members, both in the forces and civilian members, working in facilities where asbestos is yet to be removed. In particular, at CFB Esquimalt we have barracks which should have been condemned 10 years ago that still have asbestos in them. I'm wondering, Mr. Minister, if in the supplementary estimates there is enough money to complete that work on asbestos removal and do things like replace the barracks at CFB Esquimalt.

Hon. Harjit S. Sajjan: Before I hand it off to Elizabeth, I'll say that when you don't put enough resources in to the maintenance of buildings, this is what you end up dealing with. When we talk about greening government and making sure our infrastructure reflects that investment, this is going to take it into account. Not only are we looking at new buildings and modernizing buildings but we're going to be putting in a good system to look after the infrastructure we have as well.

Ms. Elizabeth Van Allen (Assistant Deputy Minister, Infrastructure and Environment, Department of National Defence): Thank you, Minister.

I'll start by indicating that the health and safety of Canadian Armed Forces members, our DND civilians, as well as the public is

the priority for the Department of National Defence. Since 1987 we have been ensuring that asbestos-containing materials are not used in new construction or any major renovations. We have developed policies and procedures as well with respect to asbestos, ensuring health and safety for all our personnel.

With respect to the asbestos you mentioned, it was found October 26 when we were working on hangar 7. There is an ongoing construction project there to repurpose a portion of the hangar. Asbestos was a known risk, and all the appropriate monitoring and procedures were in place.

In the initial assessment, it was determined that the heating, ventilation, and air conditioning system needed to be cleaned, and during that process some airborne asbestos had been detected. Certainly, the area was immediately shut down to test, and the appropriate measures were put in place to manage it. It was determined that it was surface asbestos dust. The proper cleanup is under way, and the appropriate monitoring is ongoing.

Mr. Randall Garrison: With respect, I think that's a good project, but I think we're not hitting the mark I was asking about. In CFB Esquimalt, there was asbestos in a lot of the classrooms. Again, specifically there is the issue of replacing the barracks.

Hon. Harjit S. Sajjan: On that note, if there's any risk to our people, it's an immediate priority.

Mr. Randall Garrison: Thank you.

The Chair: I think, Minister, that's all the questions we have for you today.

Ms. Gallant had a point of order. Proceed.

Mrs. Cheryl Gallant: Just before we release the minister, and thank you, Minister, for coming, would you please provide the committee with a list of the properties, including the armouries, that DND is going to divest itself of?

Hon. Harjit S. Sajjan: We haven't gone through the full assessment on that. When it comes to different buildings, as you have mentioned, we want to make sure we do a proper analysis and allow the team to ensure, with the defence policy review, that we have the right infrastructure. We need to do our homework on that.

Of course, not only are we making sure it's presentable to Canadians as well but some of this infrastructure is very important to the community, and we need to make sure where we're investing and where we're not going to.

Mrs. Cheryl Gallant: Thank you.

The Chair: Minister, thank you very much for your time. We know you are busy.

I'll suspend so you can depart, and we'll stay with the officials for another 45 minutes.

Hon. Harjit S. Sajjan: Thank you, Mr. Chair.

(1640)		
`	(Pause)	

● (1650)

The Chair: Welcome back, everyone.

We have some new members, or newer members—they've been here for a while—but I'd like to remind everybody that we agreed some years ago that when we go through the formal questioning, the chair would be able to divide up the time, and predictably, for the past two years I've just taken the remaining time and divided it equally amongst the parties to make sure everyone had an opportunity. I don't plan on changing that, and today will be no exception.

I will start with five-minute rounds of questions. We'll go Liberals, Conservatives, NDP, and then I'll re-evaluate and divide the time again until we get down to the end. I need to save a few minutes at the end for the committee for the votes.

Having said all that, I will resume with the first five-minute round, and it will go to Mr. Gerretsen.

Mr. Mark Gerretsen: Mr. Chair, I'm going to split the time with Ms. Alleslev.

My question is with regard to the peacekeeping operations. In Kingston, as you know, a new peacekeeping support training centre officially opened recently. The minister spoke about that in his opening comments. Could you elaborate for us how these supplementary estimates include funds related to this, and in particular how the funds will assist that peacekeeping training centre? Could you also discuss the importance of the UN Peacekeeping Defence Ministerial Conference that occurred in Vancouver?

Ms. Jody Thomas: Thank you very much for the question.

I'll start by talking about the conference. The UN Peacekeeping Defence Ministerial Conference was an extraordinary opportunity for Canada to showcase not only what we are going to commit for peacekeeping, but additionally, the principles that the minister laid out—that our 600 troops are not as significant in the 20,000 people who are out doing peacekeeping at this time as much as our principles and our approach to peacekeeping and women, peace, and security. That includes training police officers, training other countries in how to use women in peacekeeping, being alongside them as they train women who are actually in the field—as opposed to having women peacekeepers stay at the base camp and not out interacting with the citizens in need. That approach will change the outlook on peacekeeping significantly.

The minister, the Prime Minister, and the special envoy, Angelina Jolie, spoke to the criticality of doing no harm in peacekeeping. When peacekeepers from other countries are sexually assaulting the most vulnerable citizens that they're supposed to be supporting.... Those are not the values Canada supports.

Our entire approach to peacekeeping at UNPK and the Canadian view of peacekeeping was, I think, well understood by everybody in the world and much appreciated.

Mr. Mark Gerretsen: Do you think that the peacekeeping training centre will directly support that work?

Ms. Jody Thomas: I absolutely do. I can ask the vice-chief to speak in more detail to that, but our Canadian values and our approach to peacekeeping—how we train, how we assist, and the missions we will take on—are absolutely what's going to be taught in that centre.

Mr. Mark Gerretsen: I'm sharing my time and I have just over two minutes, so I'll send it over to Ms. Allesley.

Ms. Leona Alleslev: Thank you very much, Mr. Gerretsen, because I'd like to continue that conversation.

There's a difference between support training, particularly integrating women into support training, and operational training. There are other countries in the world, perhaps some of the Scandinavian countries, that have done a better job than we have, even in terms of the support training, and there really isn't any country, as far as I know, that leads in terms of women, peace, and security in operations training.

Is part of this initiative to look at ways that we can leapfrog and become a centre of excellence in that area of integrating women into peace and security that doesn't currently exist?

Ms. Jody Thomas: That's absolutely the goal of the centre, and it's Canada's vision of peace support operations, but in terms of the detail, I'll ask the vice-chief to provide you with some information.

LGen Alain Parent: We have the peacekeeping centre here, where we train our personnel and other peacekeepers to go out and operate in the field according to our Canadian values and the priorities that we put on women, peace, and security and on not having child soldiers in operations. Then in turn, those who have been trained can train others as well, so there's another component in which we project Canadian people to train others and help out in these areas.

(1655)

Ms. Leona Alleslev: Can you give us a time frame for when we might actually see it? Then, because I am the metrics girl, how will we measure our success in that area?

LGen Alain Parent: Right now it's still new and embryonic, and it's part of our SSE campaign plan to bring all the initiatives together. At this time, I don't have a time frame.

As you know, there are 111 initiatives and lettered things, so our challenge right now is to take all of the good that's in the policy and to time phase and sequence it. That part is in the early stage of the implementation of the SSE, but I cannot give you the details right now on exact dates and specifics.

Ms. Leona Alleslev: I'll look forward to the update the next time you come.

Thank you very much.

The Chair: Mr. Hoback.

Mr. Randy Hoback: Thank you, Chair.

Thank you again to the witnesses.

I'm going to discuss cybersecurity and making sure we're properly prepared for that. I see that Canadian Special Operations are getting some \$15.8 million for special IT products to improve their command's ability to handle intelligence and data. Then we see another \$12.3 million for the Communications Security Establishment centre of excellence for cyber operations.

How do those two interact, or do they interact? How do you take cybersecurity on defence and put it across the whole spectrum? There are economic implications to a cyber-attack. There could be power grid implications from a cyber-attack, for example, and 25% of our commerce is now done on the Internet. Are we taking cyber-threats seriously enough, and what are we doing to break down the silos that we actually have government-wide with regard to preparation in place to do that?

Ms. Greta Bossenmaier (Chief, Communications Security Establishment, Department of National Defence): I can start off and other folks might want to join in, in terms of what National Defence in particular is doing.

With regard to your question of whether we are taking cybersecurity seriously enough, I can tell you that at the Communications Security Establishment, cybersecurity is absolutely one of our key priorities. We've been in the business of protecting the Government of Canada's information for the last 70 years. I can also tell you that it sure has evolved over those 70 years. To your point, if you look at the use of technology today, not only in terms of how the government is delivering its services but also in terms of how Canadians are using it and how businesses are using it, cybersecurity and IT now permeate almost every aspect of life.

From a Communications Security Establishment perspective, we take it very seriously and we have a broad range of cybersecurity services, everything from providing advice and guidance to Government of Canada departments to actually defending the Government of Canada's networks and also defending the Government of Canada's most sensitive secrets.

The funding you referred to, which is in the supplementary estimates, is to help ensure that we can try to keep ahead of this very diverse and challenging and changing cybersecurity environment that we deal with. This investment is to help us to maintain the robust cybersecurity posture of the Government of Canada in light of the changing dynamics.

Mr. Randy Hoback: It's not only the Department of Defence, but it takes on those possibilities for other departments.

Ms. Greta Bossenmaier: Absolutely. One of the key roles of the Communications Security Establishment is to provide that advice, guidance, and service to protecting Government of Canada systems, writ large, and not only those of the Department of National Defence.

Mr. Randy Hoback: One of the things I've asked this committee to do—and actually we haven't had this motion passed and I hope we will have it passed—is to look at cybersecurity and actually at what our policy should be in balancing the protection of people's individual rights while getting the appropriate legislation in place so that you can actually do your job in an appropriate manner.

I personally feel we're at more risk of a cyber-attack than we are of any other attack, so I just want to make sure you feel we have those resources. Are we taking it seriously enough?

How are you finding working with other departments? Are they taking it seriously enough? Other departments have come under attacks in the last few years that have put them into serious harm. What is your opinion on that?

Ms. Greta Bossenmaier: Well, as you know, Minister Goodale is undertaking a cybersecurity review, and Minister Sajjan is supporting him in that effort as well. In terms of the broader perspective on cybersecurity, that review is ongoing by Minister Goodale.

In terms of whether it's being taken seriously enough, this is something that consumes not only a lot of time and attention but also a lot of strategizing to ensure that we have the right procedures in place, the right measures in place. I would say we have a robust security posture for the Government of Canada, but I would also suggest that no one can be complacent. This is always changing. It's always evolving. There are new types of threats, and there is just more use of the technology. It's not something we can ever be complacent about and say we've done enough. I think the reality is, for now and the foreseeable future, that staying ahead of that cybersecurity game is going to be a key priority, for sure, for the Communications Security Establishment.

• (1700

Mr. Randy Hoback: Thank you.

Another question I want to get to is on northern security and the Arctic, our icebreakers and patrols. In light of what we're seeing, delays of Seaspan and that industry, do we have the capacity to do what we need to do in the Arctic at this point in time? Will we have that capacity five or 10 years out, until these new ships come into place?

Ms. Jody Thomas: I think there are two answers there.

The Royal Canadian Navy is not procuring icebreakers. They're procuring Arctic offshore patrol ships. Those vessels have an ice capacity, and they'll be able to operate in first-year ice in the Arctic two to three months of the year. The Canadian Coast Guard has icebreakers. Together, the two organizations absolutely work in tandem from that front in terms of Arctic security. Arctic security, though, is very broad. The vice-chief is a former deputy commander of NORAD, so he can certainly talk to you about the other aspects of security that are occurring in the Arctic. The ships we are getting, the AOPS, will be operational, I think, in time to provide good service with the Canadian Coast Guard.

Mr. Randy Hoback: It's going to have to rely on the Coast Guard for the icebreaking capabilities if its—

The Chair: I'm going to have to stop you there, unfortunately.

Ms. Jody Thomas: They've always had to.

Mr. Randy Hoback: Okay.

The Chair: We're going to have time to come back around again. If you want to continue, that will be okay.

I'm going to give the floor to Mr. Garrison.

Mr. Randall Garrison: Thanks very much, Mr. Chair.

Thanks for staying with us.

At the time the national shipbuilding strategy got all-party support, I already had some concerns, and I'm going to restate those. He's tired of hearing me.

The shipbuilding strategy would become a ceiling rather than a floor. At the time, I understood it was the minimum the navy needed, not all the navy ever wanted or might need in the future.

The second point was that there would be competitive bidding for other shipyards outside the strategy to meet other needs of DND, for the smaller vessels like tugs, fireboats, and also for repair, refit, and maintenance. It wasn't that all the work goes to two shipyards and there isn't any other work.

My question is on the procurement side. What's happening with that other work, with the smaller ships, repair and maintenance? Is there work available for the other shipyards to be bidding on at this time?

Ms. Jody Thomas: I'll ask the ADM, materiel, to respond in detail.

The answer very broadly is yes. I think that we shouldn't conflate the national shipbuilding strategy with the requirements that have been laid out for the Royal Canadian Navy in the defence policy review, which states the capacity required very clearly.

Mr. Patrick Finn: Thank you, sir, as always for the question.

As you know, there are a number of pillars in the strategy, including smaller vessels and maintenance. As laid out, it's still the intention that smaller vessels for both the Coast Guard and the navy.... A big one for us on the horizon is a project we call the naval large tugs that will go out competitively. The two shipyards that build larger ships, Irving Shipbuilding and Seaspan, are precluded from bidding on those smaller projects.

As well, there's maintenance. We've had the submarine maintenance contract, for example, which was a 15-year contract. It still has a few years to go, but it will be re-competed, as well as other maintenance. We've competed the in-service support contract for both the Arctic offshore patrol ships and joint support ships. That is now out. It was broader than just ship maintenance. It was broader... who it was competed to. This is a first for us where we have this large in-service support contract in place before the first ship gets delivered, so we're much more seamless in that transition. As the ships get built, they will also have to compete out work to maintain our auxiliary fleet, which is a fair-sized fleet, and our minor warships. Again, it has competed, and they then compete out work into shipyards. That overall contract will be re-competed. Per the strategy, there is a fair bit of work ahead for us, as well as for our colleagues at Coast Guard or elsewhere, that will look at smaller vessels and the maintenance in a competitive environment.

Mr. Randall Garrison: When it comes to the naval large tugs contract, who will be able to bid on that? Is that limited to Canadian shipyards or could that be built abroad? That would be a concern of mine if we're talking about going outside the country.

● (1705)

Mr. Patrick Finn: Right now, the intention is to follow the Canadian shipbuilding policy. There was some discussion at some point about capabilities, again, which was to make sure that as we did the option analysis, we considered it all. We landed on building the next generation of tugs, and per the policy, we're pursuing a build-in-Canada approach.

Mr. Randall Garrison: Great. Thanks.

I think there was a little confusion introduced earlier about the difference between supply ships and the interim ship that we have. Perhaps I could get someone to talk about it, so that all of us around

the table are clear that these are different ships and they have different capabilities and that we're filling the gap with one ship that isn't necessarily the same as the ships we're building. Can I just get some comment on that?

Ms. Jody Thomas: I'll start and then ask both the vice-chief and ADM materiel to jump in.

The joint supply ship is a project that has been on the books for the Royal Canadian Navy for several years and is part of the national shipbuilding procurement strategy, two vessels, both warships, built to warship standard as opposed to commercial standard. When the HMCS *Preserver* and HMCS *Protecteur* had to come out of service unexpectedly, one due to a fire and one due to difficulties with corrosion, the navy was left without capacity. The interim AOR was one of the measures to mitigate that capacity gap. Others were smart scheduling and other things that the minister spoke to earlier. The interim AOR is a refitted, refurbished commercial vessel that will be able to fulfill some of the capacity needs for the Royal Canadian Navy in the short term, but they're very different vessels for very different purposes. The interim AOR is absolutely appreciated but it fills a short-term capacity gap.

Mr. Patrick Finn: I would just add, again, joint support ship is the name of the project. They are much broader but, as the deputy said, principally they are warships. They are designed, have survivability, different things to do and they are ships we're bringing into service for at least 30 years. If you look at the two that have been replaced, they were in service almost 45 years after different upgrades.

The interim contract is five years plus options. It's very different. It is more in the short term. It is, I think, a very impressive capability we're seeing coming online early next year that will serve the navy, from what we see, well as it comes together, but it really is bringing those support ships into the task group.

The way our navy operates as a task group, that support ship carries a significant amount of the aircraft and other things into harm's way with the task group.

Mr. Randall Garrison: That's exactly what I thought we needed to hear. Of course, I remain a very firm supporter of the national shipbuilding strategy, and especially to get the supply ships built in a timely manner.

Thanks.

The Chair: Given the time we have available, we have enough time to go around the track one more time with five-minute questions. Having said that, we'll go Liberal, Conservative, NDP, assuming members still want questions. I know the Liberals do.

We'll start with Mr. Spengemann for five minutes.

Mr. Sven Spengemann: Mr. Chair, thank you very much.

I have a brief question for Ms. Thomas and Lieutenant-General Parent, and I'm hoping to share the rest of my time with Ms. Romanado.

My question is about the Canadian Armed Forces as an employer in 2017 for men, women, and Canadians of minority gender identity and expression. We have voted appropriations of \$333 million for a pay increase. We had the announcement yesterday, the apology, by the Prime Minister to the LGBTQ2 community.

Where do you see the Canadian Forces not just as an economic opportunity for Canadians but also as an inclusive workforce that reflects our current diversity? How can you each apply your personal leadership to make sure we do even better?

Ms. Jody Thomas: Thank you very much for the question. I'll start and then ask the vice-chief to jump in.

I think that speaking for the civilian workforce and in discussions I've had with General Vance, we see ourselves as perhaps one of the most progressive workforces in government. If you look at the steps that have been taken within the Department of National Defence for encouragement of inclusivity, diversity, the aggressive stance taken with Operation Honour to ensure that our employees and CAF members feel safe in the workplace, that we stop sexualized behaviour, if you look just at this table—there are three deputy heads in the Department of National Defence under Minister Sajjan's leadership, two of the three, I and Greta Bossenmaier, are women—it says something about who we are as an organization and the values we believe in.

The recruiting targets for civilians are absolutely to reflect Canada, so we're responsible for that as the civilian employers and that's what we're looking for, to ensure that we reflect Canada.

● (1710)

Mr. Sven Spengemann: Thank you very much.

LGen Alain Parent: We're in the business of people and no matter your race, religion, sexual orientation, we're all people and we want to attract the best of Canadians, and the best of the best are amongst all of the different diversity that is offered to us. Also, as a fighting force, we have to be representative of the diaspora of what Canada is and therefore, there is absolutely no issue in the Canadian Armed Forces leadership about being fully inclusive and embracing diversity

Mr. Sven Spengemann: Thank you so much, both of you.

Ms. Romanado.

Mrs. Sherry Romanado (Longueuil—Charles-LeMoyne, Lib.): Thank you very much.

[Translation]

Thank you very much for being here today. [English]

It's a real pleasure to see you again, Deputy Minister.

We heard a little earlier today about the MFRCs from my colleague from Kingston and I'd like you to elaborate on what we're

doing to close this seam between active military service members and veterans. The reason I'm asking that is we've seen some demonstrated efforts in terms of opening up MFRC access to veterans and their families post-career, as well as the joint suicide prevention strategy where we see the Minister of Veterans Affairs and Associate Minister of National Defence and the Minister of National Defence working lockstep to close that seam.

I know that is an item in both ministers' mandate letters about that transition group that we were announcing in the DPR. Could you elaborate on those initiatives that we're doing to make sure that we're working lockstep to support the Canadian Armed Forces members, whether active or inactive service, and the families that support them along the way?

Ms. Jody Thomas: This subject is extraordinarily important to everybody in the department. Bill Matthews, the new senior associate deputy minister—you met him here a few weeks ago—has now been assigned the task of working with the Department of Veterans Affairs, supporting the Associate Minister of National Defence, Minister O'Reagan, in closing the seam work. General Lamarre, whom I'll ask to speak in a second, is leading the work for the Canadian Armed Forces and the department. That enrolment-to-grave perspective on a career is the only way we are moving forward. It is absolutely critical to the health of the Canadian Armed Forces and our veterans community, and it is the focus of everything we're doing.

I'll ask General Lamarre to give you some very specific answers.

LGen Charles Lamarre: We're looking at that journey from start to finish, and that's how we're referring to it. The journey, the *cheminement*, from the moment that you get attracted to come in, to start to click on the website, all the way through to the time that you transition out of the Canadian Armed Forces when you decide to leave, when your service is done, at that time we want to make sure that not only you, but your family is also supported. To that end, it's a question of making sure that every experience is well tailored to the individual. That includes a number of things that are quite different: Dealing with a member first and foremost, giving certainty on the courses and training coming up, making sure that is a transition from one posting to another, that they're well supported during that posting, that's where the family starts to get brought in.

Right now we are looking at establishing the transition group that will grow out of current organizations on how we move people across, but will increase and make it a better transition. That includes making sure that some of the things that in the past used to hamper you when you moved between provinces are limited. We're looking to work with the provinces to make that easy also. Currently even how a person moves is being made better by virtue of their having access to counsellors at the other end as well to make sure you can find out about the schools you're going to, the kind of employment there. We're working with third parties as well to make sure that spouses who are looking to transfer will have access to job-searching capabilities and service and support while they do the transition. This also looks at examining children who might have special needs. Once an assessment is done in one province we're looking to work with the provinces to make sure that assessment is also valid in the next one.

A broad range of things concentrate on the member, but also concentrate on his or her family to make sure their experience throughout their career is well-rounded.

Mrs. Sherry Romanado: Thank you very much for that.

The Chair: Ms. Gallant.

Mrs. Cheryl Gallant: Thank you, Mr. Chairman.

My questions will be for the chief of the Communications Security Establishment.

First, do you see any money earmarked here for training people in the CSE specifically for cybersecurity?

Ms. Greta Bossenmaier: The money that's being requested here is again to ensure that we can maintain our capabilities in safeguarding Government of Canada systems and the important information they contain. That money will be used to ensure that we have the right people, the right skills, the right technology, the right tools in play. Is there specific money toward training, something we have to do with our staff, given that we focus on the very leading edge of cybersecurity? We always have very robust training for our cybersecurity experts.

● (1715)

Mrs. Cheryl Gallant: Is CSE partnering with the private sector to harden its cybersecurity?

Ms. Greta Bossenmaier: Partnership across cybersecurity is key. We often say that cybersecurity is a team sport. It's impossible for any one organization to be able to know it all or do it all itself, given such a dynamic environment. We definitely provide advice and guidance that is applicable to private industry, to critical infrastructure. We definitely have conversations with private industry in the sense of are there best practices that one can leverage and learn from one another? We definitely partner with departments and agencies across the Government of Canada that are also focusing on ensuring their systems are safe and sound.

Mrs. Cheryl Gallant: In addition to providing guidance, is guidance taken from the commercial financial establishment, are things they learn being given to CSE as well?

Ms. Greta Bossenmaier: We work in partnership. For example, as probably a first for CSE, we recently released one of our very sophisticated tools called assembly line, and we've put it out there to the public and to private industry saying that this is a tool we've developed that's being used to help safeguard the Government of Canada systems, and they now can use this tool to better look for malware that might be in their systems. That's an example of that kind of partnership and sharing. We're saying by putting out this tool they may also be able to find ways to enhance and use the tool that would be beneficial even to a broader group.

Mrs. Cheryl Gallant: Have you held tabletop exercises with the different departments and in concert with the private sector?

Ms. Greta Bossenmaier: I'll go back to my earlier comment in terms of Minister Goodale, but in particular the Department of Public Safety, who has a role right now to interact in terms of emergency management and broader national security. They definitely run exercises across a variety of sectors, with cybersecurity often being one of the fields.

Mrs. Cheryl Gallant: Maybe you could describe the effort it's taking to ensure that qualified DND personnel, medically releasing soldiers, are aware of opportunities and employment with the CSE. Many of them already have the security clearances. They have specialized skills. Are there actual efforts going forth to capture some of the people who may be interested in continuing on through a position in the CSE?

Ms. Greta Bossenmaier: We have a very long and robust history working with the Department of National Defence and the Canadian Armed Forces. Many ex-service people are actually employed by the Communications Security Establishment. We always are looking for the best and the brightest we can find to work in this very challenging field. We have broad recruitment efforts, which are under way as we speak, for new hires and new recruits, reaching out to new people graduating from university all the way up to people who are mid-career and to people who are leaving the service and are interested in joining the organization.

Mrs. Cheryl Gallant: In the defence review, they're talking about standing up a cyber command. CSE would work even more conjoined with CSIS in some sort of cyber command. Can you describe how that organization would fit together? Would you be in the same place, or would you be remotely communicating with one another?

Ms. Greta Bossenmaier: I'm not sure, when you talk about standing up a new place.... Again, we already work in concert across the Government of Canada, in partnership with departments and agencies, and of course in concert with the Canadian Armed Forces. They are looking to set up a new cyber operator.

Maybe I'll turn it over to my military counterparts to speak about that.

LGen Alain Parent: We're not looking at building a new cyber command. What we are looking at doing is expanding our capabilities in the cyber realm and developing our forces in terms of expertise. We are also, in the policy, going from being purely defensive to the ability to conduct active cyber operations, including an offensive cyber capability. In order to do that, we're creating a new cyber operator occupation in the military to attract new talent and increase resources dedicated to cyber operations. The capability for cyber will rest within the existing command—army, navy, air force—and Canadian Joint Operations Command, not a new cyber command.

• (1720)

Mrs. Cheryl Gallant: Thank you.

The Chair: Mr. Garrison, last question.

Mr. Randall Garrison: Thanks very much.

Thinking back, Mr. Finn, I should have asked one more question about the large tugs. Is there something you could say publicly about either the time frame for that or the magnitude of the contract? When might it be completed? Are we talking a million-dollar contract or a zillion-dollar contract? I'm not trying to get you to reveal anything more than that.

Mr. Patrick Finn: With regard to the timeline, it is now in definition, as we call it, so I can say that it's been formally launched by government. We're doing that. We have gone out to industry. We started to kind of pull in the information and look at the costs there. We hope within the next year, I would say, to have the request for proposal on the street to go out and seek the proposals.

I apologize; I have the information, but I can't remember the quantum of the budget. It is not in the billions but it is not trivial. These are very sophisticated tugs that will replace all of our fleets of tugs as well as our current fire boats, which you would be familiar with. It's a substantial, complex bid. We are looking for mature designs that we could bring and build in Canada.

Mr. Randall Garrison: Great. Thanks very much.

When you folks were here on the estimates—some of you are different now, but your positions were represented—I asked some questions about both recruitment in rural and first nations communities and funding for the reserves and cadets. We were assured that there was enough money in the budget this year to make progress in all of those areas.

I'm not looking for anything in detail, but how are we doing on the recruitment in first nations and rural and remote communities and the funding for reserve and cadet programs?

Ms. Jody Thomas: We're going to ask General Lamarre to respond to your question.

LGen Charles Lamarre: The whole idea of how we're going to be recruiting visible minorities, aboriginal and women—as we were talking about earlier on—has targets assigned to it. We can give examples of concrete increases in the number of women. Of the first-year cadets at RMC this year, 25% are women.

Mr. Randall Garrison: We asked about first nations.

LGen Charles Lamarre: We're coming to that one as well.

One of the things we're doing is measuring within each of our recruiting initiatives which ones give us more bang for the buck. We're finding that some of the initiatives we've done—we're doing an analysis of that problem—are getting low rates of return. However, some of the initiatives we're doing are paying off great. We bring aboriginal youth from northern Canada into places like Calgary, and we get them through and give them bespoke care when they come through the recruiting centre. That's paying great dividends. That is what we're doing on that. We're also measuring the programs we have under way right now to figure out if they're effective or not, and then changing those to do it.

There was great work that was done by the army this summer when they ran their bold eagle program. They looked specifically to where we want to prioritize where the candidates came from. From there, they're analyzing that.

Next year, they're going to put more emphasis on remote locations that have access to units that actually operate...so small detachments of the reserve that might be in places like Battleford, like Regina. Those ones are going to be identified, and then the population surrounding them, to attract them. Those young people, after doing a program such as bold eagle, will then have the opportunity to join a reserve unit and go work there.

That's on the reserve front. On the regular force as well, we're specifically setting up campaigns to attract the youth to do that.

Mr. Randall Garrison: Great, thanks very much.

The Chair: Thank you.

If you could just bear with us for a quick second for some administrative work, I'll ask the committee to vote on the supplementary estimates (B).

I will call for the vote on 1b under Communications Security Establishment; 1b under Department of National Defence, vote 5b under Department of National Defence; and vote 1b under Military Grievances External Review Committee.

COMMUNICATIONS SECURITY ESTABLISHMENT Vote 1b—Program expenditures.......\$11,677,230

(Vote 1b agreed to on division)

DEPARTMENT OF NATIONAL DEFENCE

Vote 1b—Operating expenditures......\$335,058,697

Vote 5b—Capital expenditures......\$668,095,118

(Votes 1b and 5b agreed to on division)

MILITARY GRIEVANCES EXTERNAL REVIEW COMMITTEE

Vote 1b-Program expenditures......\$594,400

(Vote 1b agreed to on division)

The Chair: Shall the chair report the supplementary estimates (B) to the House?

Some hon. members: Agreed.

The Chair: I want to thank you all very much for coming today, and for all your hard work in ensuring that our military has the training, equipment, care, and leadership that it needs to do its job. This committee is very grateful for you in all your work, and so are Canadians.

Thank you very much.

Ms. Jody Thomas: Thank you very much.

The Chair: The meeting is adjourned.

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