



National Defence

Défense nationale

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The Honourable Kelly Block
Chair, Standing Committee on Public Accounts
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Ms. Block,

As agreed upon in the Government Response to the Sixtieth Report of the Standing Committee on Public Accounts entitled *Report 3: Canada's Fighter Force – National Defence, of the Fall 2018 Reports of the Auditor General of Canada*, National Defence submits its annual update on Recommendation 1.

Sincerely,



Jody Thomas

Enclosures: 1

**Response to the Standing Committee on Public Accounts'
Report 3, Canada's Fighter Force – Canadian Armed Forces, of the 2018 Fall Reports of
the Auditor General of Canada**

Recommendation 1

That, by 30 June 2019, National Defence provide the House of Commons Standing Committee on Public Accounts with a report outlining the progress made regarding recruitment and retention strategies for fighter force technicians and pilots that are designed to meet operational requirements and prepare for the transition to the replacement fleet. Additionally, that the Department provide the Committee with progress reports every year thereafter until the Future Fighter Initial Operational Capability is achieved.

Background

In its 2018 report on Canada's fighter force, the Auditor General recommended that National Defence develop and implement recruitment and retention initiatives for fighter force technicians and pilots designed to meet operational requirements and facilitate the transition to the replacement fleet. In its 2018 Management Action Plan, National Defence committed to increasing the number of technicians and pilots in the fighter force through a range of recruitment, training, and retention initiatives to be developed and implemented throughout 2019. National Defence also committed to transferring over 200 technicians to front-line squadrons by December 2020, and to increasing the fighter force by 200 positions by 2023. National Defence stated that these measures would allow the pilot and technician workforce to grow over time to meet operational requirements, and would enable this workforce to begin transferring to future fighter squadrons in summer 2025.

In its June 2019 Government Response, National Defence accepted the Committee's recommendation and provided an initial progress report on its efforts to train and transfer technicians to front-line squadrons; increase the fighter force; and implement recruitment and retention strategies.

At the time of the last update in June 2020, National Defence reported that it grew the number of pilot and technician positions in the fighter force, increased the number of front-line technicians, experienced success in recruiting new pilot and technician candidates, and made substantial progress in implementing retention initiatives. National Defence committed to provide the Committee with an update on progress made on the aforementioned initiatives as part of its annual update in June 2021. Please find this update below.

Progress made since June 2020

Increasing fighter force positions

National Defence is on track to create an additional 200 fighter force positions by 2023. In June 2020, National Defence reported that it had begun integrating 24 positions into the fighter force – four positions for pilots and air operations officers, and 20 positions for technicians. National Defence completed this stage of the process in late fall 2020, which brought the total number of new positions to 47.

National Defence has also placed an additional 111 positions into RCAF front-line fighter

squadrons and units directly supporting the fighter force, for a total of 158 of the overall positions. The remaining 42 positions are scheduled to be placed into front-line fighter squadrons and units in April 2022, which will complete the initiative to create 200 positions in front-line fighter squadrons in advance of 2023.

The Royal Canadian Air Force is also reducing the number of non-flying positions for pilots in an effort to decrease trained pilots' time away from flying. This is achieved through the introduction of the Air Operations Officer occupation. This new occupation, comprised of a specially trained cadre of Canadian Armed Forces members, will allow for 66 positions to be conducted by Air Operations Officers, rather than by pilots. The first round of occupation transfers for 19 members occurred in Fiscal Year 2020/2021. A second round of occupation transfers is planned for Fiscal Year 2021/2022. To further bolster these efforts, civilian recruitment is also underway, with 11 new recruits enrolled in the Air Operations occupation since 2020.

Transferring technicians to front-line squadrons

In its Management Action Plan and Government Response, National Defence committed to transferring over 200 technicians to front-line squadrons by December 2020. In June 2020, National Defence reported achieving 143 additional personnel. Since the last update, National Defence has completed this initiative, increasing the number of front-line technicians by an additional 84 personnel across all units, and 30 specific to line fighter units. This brings the total number of new technicians to front-line squadrons to 227.

National Defence has also used the Fighter Force Maintenance Renewal Plan to evaluate how to leverage industry for training and maintenance tasks, and make available Canadian Armed Forces personnel for front-line units. National Defence has begun the final phase of this renewal plan, which will transition non-deployable aircraft maintenance shops to contractors to allow trained Canadian Armed Forces technicians to fill first-line vacancies and re-allocate positions to front-line units.

Work continues to re-evaluate the total number of technicians required to meet operational requirements. National Defence anticipates this evaluation process to be complete by June 2022.

Recruiting personnel

In previous Fiscal Years, National Defence delivered nearly all of the personnel that could be successfully absorbed into the Royal Canadian Air Force. However, all Canadian Armed Forces recruitment efforts have faced challenges as a result of the COVID-19 pandemic. For example, public health measures have significantly limited the Canadian Armed Forces recruiting system capacity and limited its ability to generate initial training. As part of efforts to re-start force generation in August 2020, National Defence shifted resources to virtual file processing, virtual interviews, and risk-managed medical and fitness assessments.

Over the past year, Royal Canadian Air Force recruitment intake was adjusted to align with the 50% reduction in training capacity due to the pandemic, and was also a part of efforts to limit personnel from entering occupations for which they were not able to begin training immediately. For example, National Defence enrolled 82 new personnel to be trained as air maintenance technicians, versus the pre-COVID-19 target of 284. Further, the Canadian Armed Forces only enrolled 55 pilot candidates, missing its pre-COVID target of 82. To address recruitment shortages, the Canadian Armed Forces filled an additional 11 pilot positions and 26 air

maintenance technician positions with personnel who transferred from other military occupations. National Defence has also renewed efforts to re-enroll former members who have released from the Canadian Armed Forces. For example, National Defence implemented a renewed outreach program and re-enrolled skilled personnel, who were prioritized for processing. Skilled applicant processing has continued throughout the COVID-19 pandemic as a priority for the Canadian Armed Forces. This initiative resulted in a return to service of 15 pilots (8 regular force, 7 primary reserve force) and 18 air maintenance technicians (16 regular force, 2 primary reserve force) during Fiscal Year 2020/2021.

Training personnel

Training personnel is a crucial component of ensuring National Defence can effectively fill vacant positions in the fighter force with new recruits and replace personnel who leave military service. In its 2019 Government Response, National Defence noted that it was streamlining its pilot and aircrew training. Between January and April 2021, National Defence completed a review of *The Path to the Operational Function Point for Air Maintenance Occupations* and is assessing the Report's recommendations in conjunction with an ongoing Occupation Review of each air maintenance occupation.

National Defence also completed a trial period that examined the training sequence for the Avionics Technician occupation. The trial found that posting personnel to a fleet early in their training sequence allowed them to complete required on-the-job training logbooks between courses, thereby reducing the overall time required to achieve full training status. As a result of this successful trial, National Defence began re-sequencing all air maintenance occupations in April 2021, and anticipates completing this work at the end of Fiscal Year 2022/2023.

As noted in its 2019 Government Response, National Defence continued to evaluate changes to the Seneca Air Environmental Affiliated Degree Plan. National Defence has completed its evaluation and assessed that the significant program modifications required – which would add up to 12 months to the training schedule – served as an impediment to flying training success. As such, National Defence ceased sending first year students to the program in September 2020, and will see the final student graduate from the program in 2024. After 2025, National Defence will formally end its participation in the program and will integrate the training requirements into its internal training system, before transitioning to the Future Aircrew Training program. This transition to the Future Aircrew Training program is expected to occur over the next five years, and will renew expiring aircrew training services and serve to maintain a multi-purpose and combat capable air force.

National Defence has also worked with Transport Canada to contract training, in an effort to reduce the gaps between pilot training courses. As part of this collaboration, Royal Canadian Air Force pilots have successfully completed multi-engine training using Transport Canada resources. While one course has been successfully conducted, ongoing COVID-19 public health measures have resulted in the cancellation of follow-on training courses. National Defence has also used Transport Canada simulators to gain and maintain pilot skills on multi-engine platforms. National Defence will resume these training opportunities when public health regulations allow. Once fully implemented, these efforts will serve to augment the training system and reduce the wait time for the multi-engine training course.

In addition to improving the actual training programmes, National Defence is building its instructor resources. National Defence contracted seven full-time civilian instructors for basic flying training, and two for basic fighter training. These contracted instructors will serve to

increase the capacity to train Royal Canadian Air Force student pilots in Canada, thereby reducing the overall training wait times. This increased training capacity will also allow skilled Royal Canadian Air Force pilots to rotate to line units where they are able to mentor new pilots being absorbed onto squadrons.

Finally, National Defence has worked with allies to augment its training capacity, though these efforts are paused due to public health restrictions on travel as a result of COVID-19. For example, National Defence has begun initial discussions with the Italian Air Force to train two Royal Canadian Air Force pilots. National Defence has also reached an agreement with the Euro-NATO Joint Jet Pilot Training Program for additional placements for Canadian fighter pilots through 2030. As part of this agreement, an additional Royal Canadian Air Force instructor pilot will participate in the Euro-NATO Joint Jet Pilot Training Program during 2021, and additional students will follow next year, with a proposal to increase training capacity over successive years. In fall 2020, National Defence also secured the placement of two Royal Canadian Air Force pilots with the New Zealand Air Force. Together, these efforts allow Royal Canadian Air Force pilots additional training opportunities and the chance to work closely with allies.

Retaining personnel

Retention continues to be a key focus for National Defence, given the time, resources, and experienced personnel required to train recruits as technicians and pilots. National Defence remains on track to release a Canadian Armed Forces Retention Strategy and the performance measurement framework in summer 2021. This Strategy will complement Operation TALENT, supported by Operation EXPERIENCE, which address the quality of life, service, and compensation of all Royal Canadian Air Force personnel and their families. These Operations focus on the intake, training, absorption, and employment of members. As part of these efforts, in May 2021, the Treasury Board of Canada approved changes to compensation for pilots, thereby allowing for modification of the base salary to be comparable to industry standard and to integrate allowances into the base salary. These efforts will further the goal of retaining experienced personnel who are critical to mentoring new pilots.

National Defence continues to analyze attrition rates and tailor retention initiatives to achieve maximum retention. For example, since June 2020, National Defence has designed and introduced an electronic Air Maintenance Qualifications / Experience Tracking program. This program will expand the quality of data, and expedite qualifications tracking, thereby reducing workload for record keeping and improving the management of qualification levels and decision-making.

Future updates to the Committee

National Defence will provide an update to the Committee by 30 June 2022, outlining the progress made on the aforementioned initiatives.



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JUN 3 0 2021

The Honourable Kelly Block
Chair, Standing Committee on Public Accounts
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Ms. Block,

As agreed upon in the Government Response to the Sixtieth Report of the Standing Committee on Public Accounts entitled *Report 3: Canada's Fighter Force – National Defence, of the Fall 2018 Reports of the Auditor General of Canada*, National Defence submits its annual update on Recommendation 2.

Sincerely,



Jody Thomas

Enclosures: 1

Canada 

**Response to the Standing Committee on Public Accounts'
Report 3, Canada's Fighter Force – Canadian Armed Forces, of the 2018 Fall Reports of
the Auditor General of Canada**

Recommendation 2

That, by 30 June 2019, National Defence provide the House of Commons Standing Committee on Public Accounts with a report outlining what progress has been made regarding 1) assessing what upgrades are required for the CF-18 to be operationally relevant until 2032 and 2) finalizing which ones, if any, will be implemented. Additionally, it should provide the Committee with a progress report every year thereafter until 2032.

Background

In its 2018 report on Canada's fighter force, the Auditor General recommended that National Defence analyze upgrades required for the CF-18 to be operationally relevant until 2032, and seek approval for those which are appropriate and achievable.

In its 2018 Management Action Plan, National Defence committed to implementing regulatory and interoperability upgrades, as well as combat capability upgrades, to address the Auditor General's recommendation. In its first update, National Defence noted that it was moving forward with seeking approval for a number of upgrades. National Defence specified that the project would be completed under two concurrent phases: Phase 1 for interoperability and regulatory upgrades, to begin in summer 2019; and Phase 2 for combat capability upgrades, for which the analysis of requirements remained ongoing.

At the time of the last update in June 2020, National Defence reported that it made substantial progress in assessing, selecting, and seeking Treasury Board approval for both Phase 1 and 2 upgrades of the Hornet Extension Project. National Defence reported that it was ahead of schedule on the majority of the project, given the timelines provided in its Management Action Plan, and was beginning the process of implementing a majority of the upgrades. National Defence committed to provide the Committee with an update on Phase 1 and 2 progress as part of its annual update in June 2021. Please find this update below.

Progress made since June 2020 in assessing and selecting CF-18 upgrades

Phase 1: regulatory and interoperability upgrades

The Hornet Extension Project is progressing rapidly to deliver new capability to ensure that the CF-18 Hornet remains operationally relevant until 2032. As part of Phase 1, National Defence continues to deliver enhancements for up to 94 aircraft, mainly focused on addressing evolving civilian air traffic management regulations and meeting Allied military interoperability requirements. These enhancements include upgrades to transponders, navigation systems, simulators, mission computers, satellite radios, helmets, cryptographic systems, and electro-optical and infrared sensors.

For example, since entering the Implementation Phase in May 2020, National Defence, through Public Services and Procurement Canada, implemented four foreign military sales agreements with the United States Navy, and prepared two commercial contracts to be awarded by the end of September 2021. One contract will provide enhancements to the electro-optical / infrared

sensor to aid in interoperability and pilot awareness, and the other contract will provide for a replacement of the aircraft's global positioning navigation system to meet new civil air regulation requirements. Further to consultations with industry and with support from the department's defence scientists, National Defence will upgrade its current helmet to meet operational needs. National Defence is proceeding with upgrades to its existing helmet, and expects to have this final Phase 1 upgrade ready for implementation by December 2021. This will close out the Definition Phase for the regulatory and interoperability upgrades.

National Defence will also take delivery of some Phase 1 equipment in Fiscal Year 2021/2022. During this phase, aircraft software development will continue, and prototyping and flight testing will also commence. These Phase 1 upgrades remain on track to be completed by 2025, and will help sustain National Defence's current CF-18 fleet until 2032, when the replacement fighter aircraft becomes fully operational.

Phase 2: combat capability upgrades

The CF-18 combat capability has degraded over time relative to evolving threats, despite a number of combat upgrades throughout its life. As part of Phase 2, National Defence continues to focus on enhancing the combat capability for 36 of its CF-18s, to ensure that sufficient, operationally relevant, mission-ready CF-18 fighters are available to meet air power capability requirements in the current battle space until the future fighter fleet reaches full operational capability.

National Defence remains ahead of schedule to meet procurement timelines committed to in its Management Action Plan and Government Response. For example, since entering the Implementation Phase in May 2020, National Defence has implemented all five foreign military sales agreements for the Phase 2 systems. This is approximately one year ahead of its Management Action Plan timeline of no later than 2022.

Since the last update provided to the Committee in June 2020, two combat capability upgrades will no longer be pursued – radio frequency expendables and air launched decoys – as National Defence assessed that these items presented availability, integration, and sustainment challenges. These changes will not limit aircraft employment in a combat environment. National Defence continues to identify solutions for the remaining Phase 2 items still in the Definition Phase – security systems and aircraft computer upgrades.

National Defence will take delivery of some Phase 2 equipment in Fiscal Year 2021/2022 that will enable combat capability upgrades, aircraft software development will continue, and prototyping and flight testing will also commence. National Defence remains on track to implement all Phase 2 combat capability upgrades by 2025.

Future updates to the Committee

National Defence will provide an update to the Committee by 30 June 2022, outlining the progress made on implementing Phase 1 and 2 upgrades.