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Mr. Stephen Fuhr

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● (0845)

[*English*]

The Chair (Mr. Stephen Fuhr (Kelowna—Lake Country, Lib.)): I'd like to welcome everyone to the defence committee this morning. Happy 80th meeting of the defence committee in the 42nd Parliament. It's hard to believe that it's been 80 meetings so far, but that's where we're at.

I'd like to welcome our guests today as we continue our ongoing discussion of Canada and NATO. Appearing today, we have David Hobbs, secretary general of the NATO Parliamentary Assembly; Professor James Fergusson from the Centre for Defence and Security Studies, Department of Political Studies, University of Manitoba, as an individual; and the Honourable Joseph A. Day

Gentlemen, thank you very much for appearing today. My understanding is that Mr. Fergusson will open it up with his remarks. Sir, you have the floor.

Dr. James Fergusson (Professor, Centre for Defence and Security Studies, Department of Political Studies, University of Manitoba, As an Individual): Thank you.

Before I begin commenting on Canada, NATO, the Arctic, and the missile defence programs, as I was instructed, I just want to put a plug in to the committee. On May 24, the centre is hosting the 60th anniversary of the NORAD conference. I believe that the clerk has distributed the basic information and agenda. We have already confirmed that commander of NORAD, General Robinson, will be there. It also looks like the deputy commander will be there, pending, of course, events in the world. We are bringing in all the former commanders and deputy commanders of NORAD, since 9/11, to discuss their experiences and thoughts about the future. Let me extend an open invitation to all members of the committee to attend the conference in Winnipeg. Due to security concerns, the registration will come up in about two or three weeks and I will forward the website address to the clerk to distribute to committee members. We look forward to seeing most of you there. I think it will be a wonderful event.

The Chair: Thank you for that.

Dr. James Fergusson: Now, to turn to the Arctic, I want to raise three quick points about the Arctic before I turn briefly to missile defence.

One needs to distinguish between rhetoric and reality, or what's written on paper in the North Atlantic Treaty, signed in Washington in 1949, and what the actual practices of the alliance have been relative to North America. As you probably know, throughout the Cold War, even though there was a NATO Canada-U.S. regional planning group, North America was not a place for NATO. NATO was about European defence and security and, effectively, Canada and the United States' guarantee to support the defence of western Europe—and now this is extended further to the east, with the expansion of NATO.

I believe you all have copies of three overhead maps that I forwarded. The key point is that when you look at North America with regard to the Arctic, if you look at everything west of Greenland, this is an issue for Canada and the United States. Its central defence institution, as you know, is NORAD. It is not a place for NATO.

The second point I want to raise with the committee is that when you look at the current international system and the changes that have occurred, which most academics talk about as the return of “great power politics”, we need to be careful—and this fits into the first point—to think back in Cold War terms to when the west's relationship, including Canada, the United States, and NATO with the Soviet Union and Warsaw Pact, was clearly adversarial across all issue areas. We were adversaries politically, militarily, strategically, socially, and economically.

In the world we live in today, which is going to continue, we have to recognize that in certain areas with great powers—in this particular case, Russia—we are adversaries or we are in conflict. This, of course, is in eastern Europe with the issues surrounding Crimea and the Ukraine, as well as, of course, the Baltics and with our eastern European allies.

However, that doesn't mean that this conflict, this adversarial element, should be transferred across the board. There are areas where we will compete with a great power like Russia—you may look and think in terms of Syria—and there are areas where we will co-operate with the Russians. The Arctic is an area of co-operation with the Russians, particularly when we recognize the economic interest and vital importance of the Arctic to the Russians themselves, and Russian capabilities in the Arctic, including civilian capabilities, particularly their icebreaker fleet, and our common interests as transportation opens up further with climate change. We need to recognize the real passage of vessels transporting goods from east to west will not be the Northwest Passage, but the Russian route, because it's simply easier to go that way.

From Russian behaviour with regard to the Law of the Sea and the extension of the continental shelf, which has followed the legal process, I think it's very clear that when we look at Russia and Canada, as well as the United States, with regard to the Arctic west of Greenland, it is an area for co-operation among the three, and other members of the Arctic Council.

Entering NATO here through whatever specific means is likely going to be perceived as provocative to the Russians, and this is not going to be helpful to our interests and requirements of future needs as the Arctic expands, both for population centres and social and economic questions as they emerge.

The third point is that where there is an issue relative to North America and NATO, notwithstanding the issues of our presence in eastern Europe supporting our allies, is east of Greenland. This is what was loosely called the “North Atlantic seam”. This is the Greenland-Iceland-U.K. gap and further north to Norway. The issues, as you see in the second graph, include the increasing threat posed by Russian long-range cruise missile capabilities.

Cruise missile defence is a NORAD mission. A variety of issues need to be worked out in the absence of the old Supreme Allied Commander Atlantic, to ensure the defence of North America. This is new in the context of NATO from the Cold War, because with the Atlantic at that time, the issue was largely about keeping open the sea lines of communication to support or reinforce forces, if necessary, in case of war. That is the area where attention needs to be paid in Canada because a variety of issues related to U.S. Northern Command are involved here, including the U.S. European Command, NATO, and how we're going to develop command structures and how we are going to ensure effective air defence of North America.

Those are my three basic points about the Arctic.

● (0850)

Turning to missile defence, I know that members of the committee have received a very good report from the parliamentary assembly on the European phased adaptive approach. I certainly can answer questions with regard to its evolution, where you want to start dating it back to—I usually date it back to 1999 and the Washington summit, which set in motion the first study by NATO on theatre ballistic missile defence—where we stand today, and the details of where it might go. That has now expanded to Lisbon and Chicago.

There are two points I want to make about the missile defence program. The first is that, despite what the Russians say, the missile defence system deployed in the Mediterranean and Romania, and that is about to be deployed in Poland, does not threaten Russian strategic forces with regard to North America. The system does not have the capability. The angles of any attempt to intercept a warhead or a missile in mid-course phase from a launch transiting northwards, with us coming at it from behind—basically it's a trailing shot—simply can't be done. The interceptors of standard missile-3 and the variants of it do not have the speed to catch up to that missile.

One area where there is potentially an issue with regard to Russian strategic forces—particularly in the context of the 1987 Intermediate-Range Nuclear Forces Treaty, which prohibits intermediate nuclear forces and ground-launched cruise missiles between a range of 500 and 5,500 kilometres—is the potential use by the Russians of their ICBM fleet in an alternative trajectory to be able to threaten western Europe, our European allies. Even so, unless you go to a much faster interceptor, the system will not really be able to intercept that—but you could take shots at it.

The second issue is one that I think is very important for Canada. If you go back to the Bush administration's plan, which was to put mid-course phase interceptors—i.e., the interceptors that are located in Alaska—in Poland and a phased array guiding radar in the Czech Republic was, by and large, as a layer of the defence of North America. The layer right now cannot defend North America, but Canada has to be interested in the potential requirement against Middle East threats. As you see in the third overhead, which provides a threat fan of ICBM tracking from launch points in Iran or elsewhere in the Middle East, you certainly would need to upgrade it.

At some point in the future, however, the issue concerning proliferation will whether we need another site somewhere to defend the east coast from attacks from the Middle East. As I and most people predict, the Iranian program, at least in its ballistic missile form, will continue to be able to bring North America under threat. The Fort Greely, Alaska, site is not appropriately placed to deal with those threats. It can take a shot, but it would be a trailing shot, and from what I've been told, it would be very difficult for it to be able to intercept a missile from the Middle East.

The United States is looking at, and I think completed, a review of that, but we're waiting for the 2018 ballistic missile defence review report from the U.S. regarding the future prospect of a third site in northern United States, either in New York, Ohio, or Michigan.

There are other issues involved here, but if the United States feels that its site in Europe cannot defend the continental United States from a long-range ICBM from the Middle East, then these are direct issues for Canada in the long-standing question about whether we should or should not participate in the U.S. program.

I shall leave it there. Thank you.

● (0855)

The Chair: Thank you for your opening remarks.

I'll yield the floor to Mr. David Hobbs.

Mr. David Hobbs (Secretary General, NATO Parliamentary Assembly): Thank you very much indeed, Mr. Chairman. I will do my utmost to be as succinct as James was.

I would like to talk about the NATO Parliamentary Assembly, because it's a dimension of NATO membership that has, obviously, from the name, a very specific benefit to parliamentarians, and it's directly relevant to that. During the Qs and As I'd be very happy to go into the sort of substantive issues the assembly deals with, but if I could, I'd like to talk about the value, if you like, of the organization within the NATO framework, with just a minimal bit of history.

When NATO was created in 1949, of course it was a very different world. Nobody thought in those days of adding a parliamentary dimension. It's not in the treaty at all. After 1949 the initiative to create some form of parliamentary organization for NATO came from parliamentarians themselves—led, incidentally, by the Canadian Senate. By 1955 there was enough momentum for the parliaments of the NATO countries to say, “We should be meeting. We should be discussing NATO issues.” There was enough value in that, it was felt, for NATO itself to support the creation of the forerunner of the NATO Parliamentary Assembly.

So it wasn't part of the treaty, but was created by parliamentarians themselves and is gradually become very much a part of the NATO family of organizations.

It's instructive to look at what motivated the founding fathers. I say “fathers”, because of course in those days they were all fathers. They looked at the treaty incredibly creatively, in a good way, bearing in mind that in 1955 the Cold War was in full sway. They looked at the treaty itself. I'm sure you're familiar with the treaty. It's a nice succinct document. In the preamble there's the crucial phrasing that the allies are “determined to safeguard the freedom, common heritage and civilisation of their peoples, founded on the principles of democracy, individual liberty and the rule of law”. Then there's article 2, which is actually often referred to as the “Canadian” article, which says that NATO effectively is much more than simply a military alliance. It talks about promoting the further development of peaceful and friendly international organizations, strengthening free institutions, and bringing about a better understanding of the principles upon which our free institutions were founded.

The parliamentarians who founded the assembly wanted the assembly to look at the issues that affected the community of NATO nations, not just the narrow security issues, which was incredibly broad-minded. Bear in mind, this was the height of the Cold War, so built into the organization's DNA is looking at issues that now are mainstream, even in a security context, such as environmental issues, human rights, rule of law, and all those things. It's been interesting that since the end of the Cold War, the NATO agenda has become more like the assembly's agenda, but as a concept, it also explains why the assembly is so enduring, as is the alliance.

When people ask, “What is the alliance for?”, as they often do, it is in fact a remarkably appropriate question, because the alliance fundamentally is for those values, not against something. The “against” can change, of course, as the threat environment changes, as there are different threats and challenges, but what the alliance stands for remains enduring. That's very much at the heart of the assembly.

The goals were to provide a direct link between NATO authorities and the parliaments. National parliamentarians' defence committees, of course, play a crucial role in oversight in many of our countries and in determining the use of their forces in operations. Indeed, parliaments also ratify treaty changes. If there's a new member to the alliance, that has to go through parliaments. The idea was that creating a cadre of MPs in each NATO nation who were really familiar with NATO thinking was of benefit of them in their national work, and also to the alliance as a whole. The idea was also that we would broaden the crucial trans-Atlantic link by adding a parliamentary dimension to it to make sure that there weren't just governments talking to each other but legislators from both sides of the Atlantic. Again, that was built into the founding aims of the organization. The final one was to promote the aims and values of the alliance. I suppose, since the end of the Cold War, we've also added doing that within partner nations, as well.

● (0900)

As a bureaucrat, it's so tempting, but I won't go into the committee structures and all the different wiring diagrams that we have.

We're a parliamentary organization. We have committees, we have subcommittees, we have seminar programs, we have training programs, and we do all sorts of stuff all over the place. At the small end, it can just be a visit of our president, one MP, up to a session, which can actually involve 350 MPs, possibly 750 participants, and all points in between, those different meetings.

We organize about 35 activities per year. If you look at the parliamentary working year, almost every week there's a meeting of the NATO Parliamentary Assembly taking place somewhere. Most of those meetings are within alliance countries, but it does change. We find ourselves going to partner countries sometimes as far afield as North Korea—not to North Korea, but about North Korea—South Korea, Japan, Australia, and, of course, the Gulf and the Middle East, depending on circumstances.

As a consequence of the visits that we make, the meetings that we hold, and the reports.... We do about 17 reports per year. Four of those rapporteurs, by the way, are Canadian, so you're doing extraordinarily well, I would say, for us. They are sources of information for parliamentarians. We aim to produce the best 20 pages on any subject that we address.

As a consequence of that, they find a much broader audience. If you Google a report topic that we're dealing with in NATO, the chances are that you'll get us on the first page. There's a lot of interest in the output that informs national parliaments as well, particularly in some parliaments that don't have the same resources as you do, as the Americans do, and as the U.K. does. There are some where the library resources and research capability is much, much lower. The value added for them is massive within the NATO Parliamentary Assembly.

It's not directly a spinoff, but in terms of the contacts between parliamentarians, it's quite remarkable how meetings where parliamentarians come together with their counterparts from other countries can have all sorts of different benefits. I could go into many different examples.

One that I heard just recently was a rather strange one from a former member of our Dutch delegation who is now a government minister. He said that one of the things that had proven remarkably valuable to him was that although he hadn't had much to do with the upper chamber in his own parliament, as a consequence of meeting members of the upper chamber within the context of the assembly, he was able to deal with them and he could work across both chambers very quickly because of the surprising spinoff, even in his own parliament.

The work that our parliamentarians do makes us a real sounding board for ideas. It's almost a parliamentary think tank, and it demonstrates the art of the politically possible. Each of our delegations represents the political spectrum within the alliance, so you can see how an idea will evolve and develop, what will fly and what will not fly, and who thinks what. It's a tremendous indicator of prevailing political opinion and is followed as such rather closely.

We do play a part in strategic messaging. We get lots of hits on the website. We know, for instance, that the Russians follow what we do very closely indeed. That is very much appreciated by members and partners alike, because they see us very much as being on the side of the angels in terms of strategic messaging.

● (0905)

As for what we do with partner countries, there are many benefits, but one crucial role that we play is what I would call “de-demonizing” NATO. When we go to places where NATO is not well understood—for example, the Gulf or North Africa— there is an incredibly stereotypical Cold War view of the alliance, which is of an American general in uniform with a nuclear weapon behind him. Then they see us, and we're incredibly non-threatening and we're talking about human rights, values, democracy, and rule of law, and this is NATO. So we provide tremendous value added to the alliance, because we actually take the demon, if you like, out of perceptions of the alliance wherever we go.

For NATO itself, they recognize the organization as being a wonderful constituency for them. It's one-stop-shopping for getting a message across to parliaments. For example, next week one of our meetings will entail specifically members only. We're bringing about 120 members of Parliament to Brussels where they will meet all the key NATO personnel working on issues from emerging security challenges to intelligence co-operation to Afghanistan. The heads of the delegation and the North American delegations will actually have a meeting with the North Atlantic Council.

Our policy recommendations go to NATO. We get a formal reply. The NATO secretary general appears twice a year. Our president speaks at the summits.

I could spend another half-hour talking about our president's own agenda, but he is working very hard to build synergies with other international organizations and other parliamentary bodies, and also to see how we can help get the message about NATO and what NATO does more into our education systems and into our Parliaments.

I will stop.

The Chair: We'll have a number of questions, and we can go back to a number of those ideas when we get to that point.

I'd like to turn the floor over to Senator Day.

Sir, you have the floor.

Hon. Joseph A. Day (Senator, New Brunswick, Lib.): Thank you, Mr. Chairman, and colleagues.

A good number of you have been involved with NATO Parliamentary Assembly's activities along the way. I'm here as a resource, to talk about parliamentarians' participation in NATO Parliamentary Assembly. David has talked about some of the advantages. I agree wholeheartedly with that. Professor Fergusson touched on a couple of reports that we've been involved with. I was the rapporteur on the missile defence report, but let me tell you how this ballistic missile defence report was generated. Then there may be some questions that flow from the parliamentarians' participation.

David, as secretary general, leads the secretariat. There are a lot of very talented people who work in your office. We're very fortunate to have those people working with us because they can provide a lot of the research and support. There's also the opportunity. From time to time, we find Canadians who are working on their master's or Ph.D. who work in the NATO secretariat, NATO Parliamentary Assembly secretariat, which is and that's a great experience for them, as well.

We are, as parliamentarians, keeping an oversight on the executives in NATO. David explained the evolution of that, so I think that's important for us to understand. From 27 nations, now, we have representatives of parliamentarians at our meetings. The purpose is to inform parliamentarians about what the executive is doing, and in Canada's case, what commitments the Minister of National Defence and the Prime Minister are making with respect to defence and security issues.

We organize ourselves into a number of different subcommittees. There is a political subcommittee, and a number of parliamentarians from Canada have played an important role in the political aspects of security and defence matters; an economics one; a civil dimensions one; a defence and security one; and a science and technology one.

I can think of Canadian parliamentarians past and present who have played important roles in each of these committees.

I participate at the overall level. The president is from Italy at the present time, and then there are five vice-presidents of the organization, and I'm honoured to be one of those at this particular time. In addition to that, for a good number of years, I have worked in the defence and security subcommittee. You can't cover everything, so you make some choices. Our Canadian NATO Parliamentary Assembly chairperson, Leona Alleslev, will help determine who goes to what committees. We sit down and work out what we should do in that regard. Defence and security has been my area; I was president or chair of that particular committee for a number of years and held various other offices. Now I'm rapporteur on that committee. That's how I happened to have my name on this particular report.

I come in to you for the background. The committee is very good from a background point of view. The secretariat put a lot of work into bringing this together. We did some outreach and we talked to the different countries involved more specifically. We didn't go to Iran for this particular report.

● (0910)

We did have a delegation that went to Korea and talked to the Korean defence personnel about their concerns with respect to North Korea and the expanding threat or menace that is happening there. That's the kind of work we do. That report has been done and adopted by the assembly, but we'll keep an eye on developments there. It may well be that we revisit some of the changes, some of the evolution that's happening, because it is evolving very rapidly, as you know, both in North Korea and in Iran. This becomes an important aspect of the ongoing oversight of the parliamentarians' role in this.

We're now moving into another area, which is the enhanced forward presence and Canada participating in the Balkans and in Lithuania in that regard, so we'll be watching that evolution and how that new initiative will be working.

Just generally, on the role of parliamentarians, we have a joint all-party committee that goes from the House of Commons and the Senate. Members of all parties in each of the chambers will go to the two major sessions; then those who are participating specifically on some subcommittees will be involved, all of which is to say thank you very much for supporting the JIC, Joint Interparliamentary Council group.

To support our NATO participation as parliamentarians is not inexpensive, but it's well worth it, as it gives us a very important role to play in balancing North America against Europe. It's always interesting. For many years—David will know—they used to talk about Europe and the United States, and we convinced them to include Canada in that discussion, and it seems to be working. We think we do have a role there.

The United States does play a very important role in this. In some international organizations you don't see the U.S. playing a major role, but it certainly does in this particular organization.

We have a great chance for parliamentary diplomacy as well and getting to know parliamentarians. You talked about knowing the upper House of our friend from the Netherlands. I'm sure I know who they are, and I know them because I have participated and I've been fortunate enough to get chosen to go on these various organizational trips to get to know parliamentarians from other countries. That makes it very helpful.

Are there any other points you wanted to talk on?

I'd like to conclude my opening remarks by reminding you that the Senate defence and security committee—on which I have served for many years—about three or four years ago came up with a report that we should revisit the missile defence situation in North America, whether within NORAD or separately. The time has come to do that. We have one report on that and the government probably needs another little nudge, maybe from a group like you, to convince it that this should be looked at. I think the U.S. would be open to discussion on that.

Thank you, Mr. Chairman.

● (0915)

The Chair: Thank you.

Because we have a three-person panel and the conversation might jump between you, just to keep everyone on time, if you see this, you have 30 seconds to finish up your idea, so I can manage the time fairly and appropriately for everyone.

Having said that, we'll go to seven-minute questions, and I'm going to turn the floor over to Mark Gerretsen.

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

Thank you to the three of you for being here today.

It's always tough when I'm trying to make a decision as to whether to just focus my questions on one person or all three, because really I have questions and I could spend the whole time with any one of you. I apologize in advance if I'm short.

I'll start with Mr. Ferguson. The U.S. recently released a national defence strategy in which they said powers like China and Russia are a greater threat than terrorism. I'm wondering what you see that Canada can do, as a NATO member, to address these increasingly assertive countries.

Dr. James Fergusson: Given a lot of factors, not least of all capability issues on the part of the Canadian Forces and investments in defence, I think the most important thing Canada can do is to be a loyal ally, both in the context of NATO, meeting its NATO commitments, and in the context of our close defence and vital defence relationship and broader relationship with the United States, but also in the case of China and issues in east Asia, in which Canada is noticeable by its absence in the defence and security realm.

I think it's an important question for the government. This is not just about North Korea—there are bigger issues involved here—and the government has to come to some sort of position on where it stands on these issues, outside of typical, Canadian, nice rhetoric about how we want dialogue, and co-operation, etc., etc. That's fine when you're not saying these things that have no real impact because you're not participating out there. This becomes a resource issue for the Government of Canada, and I can understand why the government is reluctant to start moving, because it simply doesn't have the resources. Let me qualify that: it doesn't wish to invest the resources into these areas. For the government right now, east Asia is economic, and I can understand that entirely, but if Canada wants to have an impact, it needs to in fact commit itself and do much more, do something in terms of that part of the world.

● (0920)

Mr. Mark Gerretsen: Thank you.

Mr. Hobbs, I understand that you've written extensively on the political and military implications of new technology. You talked about the history of NATO and where it's come from. Obviously, when NATO was created, we didn't have anywhere near the kind of technology or threats that we have now. I'm curious as to whether you can comment on how you've seen NATO evolve over time. More importantly, this committee is about making recommendations to the government. Where do you see a role for Canada in helping to make sure that we are assisting NATO staying on top of the developing, new technologies?

Mr. David Hobbs: You've been reading my bio. I actually started my professional life, my academic life, in physics, so I love the technology stuff, basically.

The fundamental shift, of course, is that since NATO was founded, there has been the rise of the IT revolution, which has utterly transformed the way warfare is conducted. That's changed the whole paradigm for defence procurement. It's also made it much more difficult to go it alone.

Mr. Mark Gerretsen: You said the word "procurement", so now I'm going to jump in.

Mr. David Hobbs: Okay.

Mr. Mark Gerretsen: This is good, because one thing we've been talking about lately is how the procurement processes can sometimes take a very, very long time. In this day and age the technologies are changing, so by the time you go through a procurement process and it's time to make the purchase, the technology's outdated. How does NATO respond to that kind of thing? How can Canada help contribute to a solution to that?

Mr. David Hobbs: I wish I knew the answer. It's staggering, for example, that the B-52 will have gone from the drawing board to being out of service in 80 years. It's absolutely astonishing, with some weapons systems, how long they're in service. Of course, when you have a rate of innovation in IT, where something's obsolete in two years, and yet we have this incredibly long development cycle for certain hardware, we are going to think much more in terms of learning lessons from civilian industry and being able to do much more plug-and-play and life-cycle upgrading.

I don't know the answer. It's getting much, much harder, and it's a real challenge for defence when you have to invest a huge amount of money in certain kit, but it's obsolete almost as soon as you've built it. I don't know what the answer is, but I do think we need to be paying a lot more attention on the civilian side, and doing a lot more to have a much more rapid production life cycle.

Mr. Mark Gerretsen: Senator Day, I'd like to ask about BMD. First, how does the BMD program differ in Europe in the NATO context from BMD in North America in the NORAD context?

Hon. Joseph A. Day: We're not part of missile defence in North America, so what the U.S. is doing we can only surmise in part. I think it's hugely important that we change that.

Mr. Mark Gerretsen: Do all NATO countries contribute to the NATO—?

Hon. Joseph A. Day: Yes. As a NATO member, we're participating in missile defence in Europe.

Then we say, well for some reason we haven't participated in missile defence in North America.

Mr. Mark Gerretsen: Why do you think that is?

Hon. Joseph A. Day: I think it's just a political reality that it happened.

Certainly from the point of view of the nations as part of NATO, we participate fully in a number of issues there that we might pretend back home we're not as actively involved in.

Mr. Mark Gerretsen: Obviously we don't get coverage from the ballistic missile defence program in Europe.

Is it feasible to assume that we could ever receive coverage from that?

Hon. Joseph A. Day: I think Mr. Ferguson mentioned that that we'd be chasing, from the European point of view, to try to protect North America this way. The Americans know that. They would have liked at one time to have us part of this, but they are going ahead. They have monitoring in Alaska, and it's most likely that they'll open something in the northern part of eastern United States.

● (0925)

Mr. Mark Gerretsen: Given your close proximity, maybe we can have you back here one day on this topic.

Hon. Joseph A. Day: It's an interesting field.

Mr. Mark Gerretsen: Yes, thank you.

The Chair: Mr. Bezan.

Mr. James Bezan (Selkirk—Interlake—Eastman, CPC): Thank you, Mr. Chair.

First, to Mr. Hobbs, I want to congratulate you and the NATO Parliamentary Assembly. In all my years in Parliament and the various parliamentary associations to which I belong, the NATO Parliamentary Assembly is by far the most important one in my mind. It does great work, not only in providing networking opportunities, but capacity building of us as Parliamentarians, and having some input into the development of policies that surround NATO. Thank you for that.

Senator Day, I always appreciate your comments. You're frank and to the point.

You mentioned the report from 2014 of the Standing Senate Committee on National Security and Defence. The recommendation is that the committee is unanimous in recommending that the Government of Canada enter into an agreement with the United States to participate as a partner in ballistic missile defence. That's not just having discussions, it's entering into that agreement.

Is that so?

Hon. Joseph A. Day: The "unanimous" is an important part of that.

Mr. James Bezan: Unanimous is important. I appreciate that very much, and I appreciate your support for that. It's something I believe in as well.

Professor Fergusson, I appreciated your opening comments.

I want to follow down the path that Mr. Gerretsen was going on.

Let's talk about the threat environment here in Canada. You mentioned both in the slides. You have the long-range aviation flight paths that are coming towards us over the Arctic. We have the potential intercontinental ballistic missiles that are coming from various sources. Then we have, I guess this contradiction that we belong to ballistic missile defence for Europe but we don't for North America.

I want you to lay it out again. Based upon the threat environment you just painted a picture of, where should Canada be investing its resources? What's the priority? Where should we be: one, two, and three?

Dr. James Fergusson: In my view, the immediate priority is the requirement to invest in a modernized, renewed north warning system. That's where the major capability gap is right now. Along with that, due to the longer range air and sea launch cruise missile capabilities of Russia— and in the future, China and others—come issues surrounding our ability to detect, deter, and defend against this emerging threat. I say this not if the sense of our planning to fight a war with the Russians, but in terms of the political implications in our relationship, not only with Moscow, but also with out NATO allies and potential allies elsewhere in the world. That's the number one priority, which is going to be an extremely expensive investment. Not to be critical of the recent white paper, but it's something that is not in there, except for modernization. In trying to estimate cost, no one knows until you develop the system. That's the number one priority, in my view.

The second priority is likely in the area of missile defence. The question that has surrounded this issue since the 1960s is, what does it mean to participate? Regarding European participation, we don't really participate. We signed off on it, as all the NATO allies had to. We inserted in the Lisbon Declaration the phrase "European territories and populations", so the government wouldn't look foolish in contradicting itself. I don't know, but perhaps Senator Day or David may have an answer to this, but I don't think there are any Canadian officers in Ramstein, the command and control centre for the European defence system. Most of the Europeans really don't participate in that system; it's an American system. There are issues surrounding the relationship.

For Canada, in terms of the future threat environment and why it's a priority for Canada along with the United States, the key thing is that North America needs to get ahead of this potential threat when it comes, otherwise it's going to be too late, if it emerges before we're ready. How do you defend that part of North America against emerging ballistic missile threats, not from Russia, but from the Middle East, and that will threaten Canada right now? How are we going to fill this other capability gap? That's the second priority, which requires discussions with the United States, and requires the simple answer to the most difficult question: what do you mean by participation and what do we get out of participation?

● (0930)

Mr. David Hobbs: I don't know about the Canadian officers.

One of the things that has changed the threat environment is the unexpected rate of progress in North Korea, where they seem to have acquired probably some Russian design work that has really enabled them to make huge progress with missile engine technology. We've now seen them make enormous strides incredibly rapidly to enhance the range and capabilities of those systems. Whereas we once had the luxury of geography—and as Jim explained, the European-based system can't do very much or have any effect on stuff coming from Europe to here—we now need to start looking at the much more immediate threat .With current technology, the only way is to put stuff that can address the terminal phase—for which the European system is very useful in Europe, but actually useless for North America. The threat environment has changed. It's added much more urgency to your considerations.

Mr. James Bezan: I appreciate that.

From our previous briefings and our visit down to NORAD headquarters in Colorado Springs, I know there is this lack of capability on the eastern seaboard of North America, in particular.

Professor Fergusson, if you're looking at joining BMD, potentially with the United States and participating more fully in BMD from a NATO construct, what type of investments would Canada's possible participation look like? Is it going to be putting Aegis systems on our ships that have these new hulls that are going to be built and modular capabilities on our surface combatants with the future fighting frigates? Is it going to be actually putting interceptors on Canadian territory? What might this look like?

Dr. James Fergusson: Certainly in the case of the future combat vessel, it will have a missile defence capability if we acquire the standard missile system from the United States that enables us to intercept missiles. In terms of it providing coverage against an ICBM threat, which is what the Middle East threat would be, relative to where it would have to be deployed, it would require a new generation interceptor that can go much faster. In other words, that would be useful for point defence, by and large for forward deployment purposes, rather than for the defence of North America.

When you get into the issues surrounding defence of North America and the issue with what does Canada have to do, the real question is, what do we have to invest to create an arrangement in which missile defence for North America falls under NORAD to ensure that Canadian cities are defended as American cities would be defended?

You have two answers to it. One is the question of, if the United States proceeds with its third site in the east, the value potentially of a tracking radar, which can do other functions as well of importance both for space track and other purposes, potentially deployed in the north. Usually the point everyone looks at is Goose Bay. The United States has alternatives to Canada, but that would be one place where we would look to invest.

Certainly if we did invest in an interceptor, a single site somewhere, the United States would have no choice but to bring us on board simply because it's in their own interest to do so.

The Chair: Thank you.

Mr. Garrison.

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

I want to try to change the conversation a bit, because I am concerned that we're doing a study on Canada's role in NATO and that we tend to go down the rabbit hole of ballistic missile defence, which to me is generals fighting the last non-war, when we have other concerns that are quite pressing. So I'm going to stay away from that. Everybody knows my position on that, that we ought not to participate in something that's expensive and does not work.

My second concern is that there has been a lot of discussion about Canada as a loyal ally of the United States, presuming that's our role in NATO, when traditionally we've had a quite different role in NATO, which is to pursue the objectives of NATO through somewhat different policies than the United States.

What I would like to turn and talk about, and I'm primarily going to talk to Mr. Hobbs about this, is the NATO Parliamentary Assembly and its activities on disarmament. The reason I ask is that I haven't seen as much as I would like to see, and I take some of the responsibility. I'm not the active participant from my party there; it is another member of Parliament.

We had the OSCE Parliamentary Assembly in 2016 do the Tbilisi Declaration, which pointed out that there was a real need for de-alerting of nuclear forces when we have 1,600 U.S. and Russian missiles on launch-on-warning status, very dangerous in the current levels of tension. In that declaration, they talked about the start of multilateral negotiations for nuclear disarmament.

I'm asking, first, just a general question about the parliamentary assembly. It doesn't have a disarmament committee, so what other activities have there been in the parliamentary assembly on the disarmament or nuclear de-escalation front?

● (0935)

Mr. David Hobbs: Historically, we have followed disarmament negotiations very closely. That includes everything from agreements to ban land mines to regulation of certain non-lethal weapons, for example, blinding weapons. We have also looked at conventional forces limitations, and we followed all the nuclear negotiations extremely closely.

We've also looked at nuclear posture and the scope. Our defence and security committee has done that. I'm not sure the posture is "launch-on-warning", as you said. I don't think they are on launch-on-warning. I don't think that's the case right now.

In terms of tactical nuclear weapons or theatre nuclear weapons, we have looked at that recently. I suppose the overall conclusion was, "Look, you'd be crazy not to be concerned about nuclear weapons." Any sane person is concerned about nuclear weapons. However, generally speaking, you are less concerned about the few hundred held by allies and a lot more about the few thousands that are pointing at you from the other side. The assessment that our committee made is that there doesn't seem to be any real, genuine interest on the Russian side in pursuing disarmament at this stage.

For example, just looking at our list of topics for 2018, it's true that we're not actually looking at arms control at the moment, just because there are so many other issues that are, frankly, more immediately pressing.

Mr. Randall Garrison: Given that the bulletin of the atomic scientists moved the doomsday clock to two minutes to midnight, I'm not sure I would agree with the list of what's pressing.

Mr. David Hobbs: Arms control isn't necessarily the best way of dealing with it. Right now, I'm afraid it's all about enhanced deterrence and responding to perceived threats. Arms control, is not, if you like, the first tool in the box right now for dealing with that.

Mr. Randall Garrison: We just had both the deployment of Russian nuclear-capable missiles along the Polish border and the U. S. nuclear posture review, which talks about further development employment of tactical, so-called "low-yield" weapons, the same size as Hiroshima. I kind of object to the term "low-yield", making nuclear weapons sound nicer.

Mr. David Hobbs: I agree. For example, you're looking at the Russian view—certainly newspeak—of de-escalating conflict through the use of nuclear weapons. When you're dealing with somebody who's talking in those terms, arms control is frankly a bit more distant than we would all like it to be. Everybody would prefer to see stability with fewer levels of armaments, and everybody would love to live in a world without nuclear weapons. That would be great, but it takes two to tango.

Mr. Randall Garrison: There was a NATO-Russia parliamentary committee in existence up until 2014. Can you say something about what happened to that committee and why it was disbanded?

Mr. David Hobbs: Yes. The NATO Parliamentary Assembly was the first international organization to formally sanction the Russians for their actions in Crimea and then, subsequently, Donbass. It took us all a bit by surprise, because although we expected sanctions to be imposed, Russia, which was then one of our partner countries, in fact had its status removed. We no longer have a Russian delegation participating, but our bureau—and Senator Day is one of its members—is mandated to discuss whether the conditions are right for seeking to re-establish dialogue with the Russians at every one of its meetings.

Interestingly enough, I'm in regular contact with my counterparts in, for example, the Council of Europe, which also imposed sanctions but did not remove their membership. The position now on the Russians within the Parliamentary Assembly of the Council of Europe is this: firstly, they've stopped funding it; secondly, they refuse to participate while there are any sanctions of any description imposed upon them. Indeed, they will only come back if the ability to sanction any delegation, for anything, is removed from the statutes of the parliamentary assembly. My guess is that since the Russians would inevitably have been sanctioned in some way, that they themselves wouldn't be participating. They're not interested in dialogue at the moment, I'm afraid. I wish that were not the case, because the opportunities for co-operation strategically, and the complementary capabilities, are amazing, but Russia is not playing at the moment.

● (0940)

Mr. Randall Garrison: I know I have very little time, so I'll just ask you very quickly about the Ukraine-NATO Inter-Parliamentary Council. That's continuing to be very active, is that right?

Mr. David Hobbs: Yes, very much so. We had three bilateral groups, if you like: one with Russia, one with Ukraine—which was founded at the same time—and one with Georgia, which was founded, of course, after Russia occupied Abkhazia and South Ossetia. We also have a group that is multilateral, which deals with the Mediterranean and Middle East. Yes, we focus a lot of attention on our bilateral groups with both Ukraine and Georgia.

Hon. Joseph A. Day: Mr. Garrison, just to remind you, there is a political group within the NATO Parliamentary Assembly, and there's a wide range of points of view expressed in there. We may not have a disarmament group, but we have a political group that discusses the issues you'd be looking for.

The Chair: Thank you.

Mr. Spengemann.

Mr. Sven Spengemann (Mississauga—Lakeshore, Lib.): Thank you, Mr. Chair.

My questions are primarily directed at Mr. Hobbs.

Mr. Hobbs, thank you very much for putting the political component of NATO front and centre as this committee contemplates and frames its report.

I want to start by reading you a quote from Ambassador Gábor Iklódy who, back in 2010 at the summit, was assistant secretary for emerging security challenges. He said:

> NATO must develop a culture of political discussion which is not confined to issues that directly involve NATO militarily, but which also includes issues that may have "only" political relevance. As long as every debate in NATO is viewed as preparing military operations, a forward-looking, enlightened debate about emerging 21st century challenges will remain elusive.

In light of what you told us about what the alliance actually stands for—civilization, democracy, liberty, and rule of law—are you actually saying quite a bit more than Ambassador Iklódy said? Could you answer that question with a view to how unified the view of what NATO stands for is in 2018?

Mr. David Hobbs: Are we on the record?

Some hon. members: Oh, oh!

Mr. Sven Spengemann: Yes, absolutely, hopefully.

Mr. David Hobbs: If we went out for a beer....

Some hon. members: Oh, oh!

Mr. David Hobbs: Gabor Iklódy was excellent. He's now with the EU, incidentally. I think he voiced a sense of it, something that is still voiced frequently. Discussions within NATO itself do tend to be focused, for all sorts of reasons, on the very specific security agenda. It's getting much better now, I think particularly because there's a realization that there's a need to co-operate with other organizations, particularly the EU. I think the discussions within NATO are more free ranging.

They're still nervous about the notion, you know, that if NATO is discussing something, then people don't think it's going to be academic. If it comes out, then there's always the danger that if NATO is discussing specifically North Korea, heck, what are they going to do?

That's tough. It gets better.

Within the context of the NATO Parliamentary Assembly, you know parliamentarians. We have a meeting every year with the NAC. When it started to happen, you could see the culture shock, because frankly, we have to agree on a joint agenda. My focus on that is to just make sure that we don't lose any of the business because I know perfectly well that with any of the business, the members of Parliament will raise any issue that they think is important, whether it's trade, whether it's North Korea, whatever it is.

We have very free-ranging discussions, which I'm pleased to say the ambassadors respond to. They welcome the much more free wheeling and open debates that we hold in public, because frankly, the parliamentarians can say things that sometimes they would not; for example, when it comes to criticizing another ally, which does happen within our context sometimes and which you would not hear very much inside the NATO context.

Mr. Sven Spengemann: Just to bring it back to a more general proposition, is it fair to say that the unity of political vision and the intensity with which that vision is expressed in the political democracies that are part of the alliance is as effective a deterrent as the military capability of the alliance? Or is it an equally significant component of the deterrent value of NATO?

Mr. David Hobbs: I think there was big concern about NATO enlargement. It was, of course, how much more difficult it would be to achieve consensus. Simply, the more people you add, the more difficult consensus is to achieve.

People on the inside tell me that has not been the case. They still find it is possible to achieve unity and come out with common positions that are meaningful. It's no worse than it ever was. I do think we ought to recognize that NATO is fundamentally a political and military alliance. Of course, you need both. There's no point in having an impotent discussion without sort of the force to back it up.

I passionately believe that the political side of NATO is vitally important and is something that we should take more advantage of.

● (0945)

Mr. Sven Spengemann: That's very helpful. Thank you.

On the operational side with respect to the NATO Parliamentary Assembly, are you connected to broader parliamentary discussions? I'm thinking in particular of the Inter-Parliamentary Union, which meets a couple of times a year. Last time actually it was in St. Petersburg with North Korea being present. Are there opportunities for the NATO Parliamentary Assembly perhaps within the Twelve Plus Group of the IPU to send its message and to network further?

Mr. David Hobbs: Thank you very much.

We do co-operate as much as we possibly can with other inter-parliamentary organizations. We find that, simply because our agenda is so heavy, more of them come to us than we can possibly go to. We have regular participation from the Parliamentary Assembly of the Council of Europe, the Parliamentary Assembly of the Mediterranean, and the OSCE Parliamentary Assembly. Actually, that's very extensive. Increasingly we're doing stuff with the Arab Parliament, which is the parliamentary dimension of the Arab League. We're looking also at trying with the Gulf Cooperation Council.

We haven't really done very much with the IPU, generally speaking, because it's just so big and so broad that, again, it's just which ones we can prioritize. So we're focusing on the others, which are rather more directly related to what we do.

Mr. Sven Spengemann: In my remaining time, Mr. Chair, I would like to take Mr. Hobbs to the paradigm of information technology.

Yesterday we had SpaceX successfully launch the Falcon Heavy rocket. That's one symptom of the privatization of space, if you will—or at least orbits around the planet with respect to satellite launches, data collection, data sharing, communication issues.

How does NATO intersect with these developments? What challenges are posed by the privatization of space, if we can call it that? How would the alliance respond?

Mr. David Hobbs: Actually, one of our committees, the economic and security committee, is going to be looking at that this year. One of its focuses is the future of the space industry.

I used to be the director of the Assembly science and technology committee, and it's an issue that keeps coming back. I hope it's going to lead to a massive decrease in the barriers of the exploitation of space, particularly for civilian purposes, but also military. It does change the paradigm and I don't know by how much, but we're looking at a decrease by a factor of 10, possibly, in heavy launch costs. I don't know where that will lead, but I view it with massive enthusiasm, frankly.

Mr. Sven Spengemann: But it's fair to say that the alliance has to stay very nimble in terms of forging partnerships with the private sector, and potentially even addressing unknown unknowns.

Mr. David Hobbs: We actually have—

The Chair: You have 30 seconds.... I'm going to have to end that part of the conversation.

We're going to go to five-minute questions, and I'm going to give the floor over to Mr. Fisher.

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

Welcome, gentlemen, and thank you very much for being here.

Mr. Hobbs, when the United States requested greater burden-sharing among its members, and actually calling out some by name, what type of impact, if any, did that have on diplomatic relations between NATO members? What is the general feeling within the Assembly on that?

Mr. David Hobbs: The issue of burden-sharing is as old as the alliance itself, and it's been raised repeatedly, obviously by American administrations. There was a particular speech by Secretary Gates, in Brussels, just before he left, under the Obama administration.

It's one of those situations that is getting worse and worse and worse. And it's incredibly difficult to work out whether you should look at equality of sacrifice, equality of commitment, and how you should do it. But the simple fact is that the inequality in sharing of the burden is becoming unsustainable.

Within our organization, we have found that at every one of the meetings we have held on Capitol Hill—and one of our previous presidents made specific efforts to reach out to Capitol Hill—with possibly 50 congressmen and women, the issue of burden sharing was raised. They were saying, “It doesn't matter how much we love NATO, it doesn't matter what we think about it, but my constituents are now understanding that we're paying more than our share of the bill.”

The Wales commitment precedes the Trump administration. The collective view within the NATO Parliamentary Assembly has been very supportive of meeting the Wales commitment, which of course is not just 2% of spending, but 20% on defence investment.

And yes, frankly, you do see people looking for creative excuses and putting other stuff in and talking about whether that's the best measure. It might not be the best measure, but at least it is a measure. Frankly, I think it is one where there has to be movement and the NATO Parliamentary Assembly has been very supportive of achieving that commitment. It's vital, in my opinion.

● (0950)

Mr. Darren Fisher: Okay, so would you say you've come to some conclusions? Is it reasonable for countries to remain NATO members if they're not pulling their weight and paying their fair share? Have there been conclusions at your assembly level? You've been there for 10 years.

Mr. David Hobbs: I don't think the alliance works with sticks as well as it does with carrots, and I don't think anyone would go as far as talking about expulsion or anything like that.

In fact, the Wales commitment was made by all the alliance nations. It's not been imposed by anybody. They all said, “This is what we're going to do”, and if one or more alliance members are now saying, “All we're asking is for you to do this”, there is massive moral pressure to do it. I don't believe for one moment that anybody would say, “You can't play if you don't contribute”. But, yes, it will be increasingly embarrassing for those nations that are not moving in the right direction and don't have a demonstrable plan for getting there. That's the way the alliance will work. It won't work in terms of imposing sanctions or this sort of stuff.

Mr. Darren Fisher: Thank you, Mr. Hobbs. I assume I have only a short—

The Chair: You have about a minute.

Mr. Darren Fisher: Okay.

Senator Day, there was talk earlier with the other two witnesses about the relationship between NATO and China. Through your work with the Canada-China Legislative Association and the Canada-NATO Parliamentary Association, I know you have some expertise in this area. I thought you might want to chime in on this because you didn't get an opportunity when it was brought up earlier.

Hon. Joseph A. Day: Certain groups within the NATO Parliamentary Assembly have had an opportunity to visit China. China is moving ahead very rapidly with respect to rearmament and improved armament in a lot of different areas. How much they want to show others is always a question, but we know there's a lot of activity going on. All you have to do is watch some of the parades they have periodically to see the equipment. I think, again, it's better to have the dialogue than not have dialogue. The more we can be meeting and talking to countries like China, the better it is for all of us, I think.

The Chair: That's your time.

Mr. Darren Fisher: Thank you.

The Chair: Mr. Yurdiga.

Mr. David Yurdiga (Fort McMurray—Cold Lake, CPC): Thank you, Mr. Chair. I would like to thank our guests here this morning. We've been talking a lot about the ballistic missile threat and we have NORAD protecting us with early detection of missiles coming in, but in reality a lot of people believe that cyberwarfare is a bigger threat.

Mr. Fergusson, or anyone else who wants to speak to this, are we doing just as much to protect ourselves against cyberwarfare as we are doing with ballistic missiles?

Dr. James Fergusson: In terms of military forces, I don't think there's any question that we're doing a great deal to protect those key cyber links, if you will. In many cases military forces and, of course, military communication systems, are isolated from the broad world. There are people who crack into more of the public links into them, but by and large on the military side, I don't think that's a major issue. It's with civilian critical infrastructure that you have the issue, and this becomes a very difficult question not only for governments to protect their own communication and electronic systems, but also for the private sector particularly, because most of these areas you think of on the North American energy grid are privately owned. The question then becomes, what is the private sector doing to protect their potential problems of hacking, both for malicious purposes or to steal secrets, or economic purposes. That's a dialogue that has to happen between government—not just the Canadian government—and its private sector. Because of the North American grids, if you will, the networks, it's a discussion that needs to take place between both.

I know, for example, that NORAD and NATO are also concerned about these things. I know, for example, that NORAD is part of the evolution of a North American defence study under way, which was blessed by the Permanent Joint Board on Defence, and is looking directly at cyber. But in my view, a lot of serious issues that emerge when you start to think about the military taking over to provide, or play the key role in, cybersecurity for the commercial side, and civil or civilian sectors. I don't think that's a path we want to go down.

● (0955)

Mr. David Yurdiga: Mr. Hobbs.

Mr. David Hobbs: Cyber will be one of the subjects of one of our reports this year. Absolutely, cyber isn't a pending threat. In terms of cyber, even in my organization we have to deal—I won't say daily, but a lot—with people trying to break in and hack. NATO is extremely active and, by the way, co-operates very well with the European Union on that. The other thing we will be looking at is also the dark web and the way the Internet is being used to organize terrorist operations and to radicalize people. We're focusing a lot, if you like, on the cyber world as an organization. You're absolutely right that it's there now, that this isn't something that we need to worry about in the future, but need to deal with it now.

Dr. James Fergusson: I would just add very briefly that I think there's a lot more going on in terms of investments being made in the cyber world than we know of the public domain, and for logical reasons you don't want to talk about these things in the public domain. To get a real answer on that, I think you would need to get a classified briefing.

Hon. Joseph A. Day: Our colleagues from Estonia explained to us how devastating a cyber-attack can be, because they're so heavily dependent on modern technology. It can just close everything down, from getting money out of bank machines to the lights. Everything stops. There is research on that. NATO was involved with research on cyber up in Estonia and the Balkans, which we all participate in and have a chance to learn from.

Mr. David Yurdiga: I had the experience when I was on vacation that all of a sudden there was this notification on my phone: "Ballistic missile threat inbound. Seek immediate shelter." How important is that? I've never experienced that in Canada, or ever seen any test, but obviously I had a Canadian phone and I still got the message. How important is it for public engagement if a threat is real? Should we, or do we, have a system in place that lets the public know that there's something coming down the pipe?

Dr. James Fergusson: There is an emergency alert. By and large, it's for natural disasters. In the world of ballistic missiles, the timelines are so short. For example, from Russia to North America is about a 30-minute flight, so what are you going to do? We don't have a civil defence capability. There are places you might want to go as deep as you can underground, in the basements of places, but otherwise it can cause more danger, which is ironic in a way, particularly if you're wrong, than it can help, because there will be great panic with nothing to do.

Mr. David Yurdiga: I agree with you, but, you know, I was kind of shocked. Being from Canada, I said, oh, it's spam, and I had a coffee—

Voices: Oh, oh!

Dr. James Fergusson: I do understand that the Government of Canada and others are dusting off old bomb shelters, if you will, or looking back into this issue, at least to ensure the security of the government structure of the nation in a worst-case scenario.

Hon. Joseph A. Day: Can we make it back to the Diefenbunker?

Dr. James Fergusson: You may.

The Chair: I'm going to have to move over to Mr. Robillard.

[*Translation*]

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

How should the security situation develop in the Arctic, especially when climate change allows foreign ships to sail into the area? In that respect, what are NATO's current and future roles in the Arctic?

● (1000)

Hon. Joseph A. Day: We have already taken a number of trips to the Arctic and NATO is very involved, especially now that countries like China have decided that the Arctic is important. We have to be on top of what is going on and what they are doing.

For that reason, I have made at least two trips to the Arctic to examine the problems directly, and that will continue. NATO is very involved and that is very important for the future.

Mr. Yves Robillard: Especially given the melting snow and ice.

Hon. Joseph A. Day: Exactly.

Mr. Yves Robillard: Also, how can parliamentarians in NATO countries make NATO, and its relevance, better known in their countries, to young people specifically?

[*English*]

Hon. Joseph A. Day: Do you want to take this discussion as to how we can communicate this on NATO's work?

Mr. David Hobbs: Thank you for that.

First of all, on the Arctic, by the way, the members of the assembly who are Arctic powers, if you like, have ensured that it features regularly on the assembly's agenda. For example, this year one of our committees is going to be specifically looking at search and rescue capabilities, and they have made sure that our members resist the temptation to be exclusively south-focused and actually look at the particular challenges that are changing in the Arctic region.

In fact, that leads me to how, as an organization, we do a tremendous amount in terms of heightening awareness of what the alliance does, where it does it, and how it does it, and what the peculiar circumstances of each of our nations are so that we make sure that members from Greece and Turkey appreciate what the high north looks like and what the challenges are, and why they should be concerned about it, in the same way that we hope you will go to Greece and Turkey and see what issues they are concerned about. We have a specific program whereby we are seeking to look at the way NATO is taught academically, and also the way it's dealt with within Parliament and what lessons can be learned. For example, if you speak to the Baltic states, they'll say it's taught really well in schools and every single parliamentarian knows everything about NATO. Then with some of the old, traditional allies, we totally take it for granted and don't realize frankly that it's part of our DNA, and we need to appreciate it better instead of making jokes about it sometimes and taking it for granted.

Mr. Yves Robillard: Thank you, sir.

[*Translation*]

Hon. Joseph A. Day: Our group here in Canada is involved in NATO communications, especially those aimed at young people. Leona Alleslev, as chair of the Canadian NATO Parliamentary Association, has worked in Brussels in the field of NATO communications. The current chair is from Italy and he has just set up a committee to examine ways to improve those communications. We are working on it at the moment.

Mr. Yves Robillard: We can see that young people are becoming more and more interested in problems like these.

[*English*]

I will share the rest of my time with Mr. Gerretsen.

Mr. Mark Gerretsen: How much time does he have?

The Chair: Twenty seconds for a question and an answer.

Mr. Yves Robillard: Forty seconds.

The Chair: It might just be a small statement or you're done.

Mr. Mark Gerretsen: We'll pass to the next person.

The Chair: Okay. There'll be more time at the end. Looking at the clock, we'll be able to go around the track at least one more time. I'll yield the floor to Mr. Saroya.

Mr. Bob Saroya (Markham—Unionville, CPC): Thank you, Mr. Chair.

Thank you to all the witnesses for coming and talking to us.

I'm here by default. Somebody is not here. That's why I'm here.

All my life I learned bad things about the Russians, their missile system and all those things, but I heard a number of times from all of you that the threat is coming from the Middle East. I'm assuming it's Iran. If it's Iran, how far are we away from Iran getting the nuclear bomb, nuclear missiles, a nuclear system?

● (1005)

Dr. James Fergusson: How far away? Under the joint comprehensive plan of action, JCPOA, assuming that it meets its commitments as well as the other signatories to the agreement, you have a decade. The agreement enables Iran to keep their nuclear option open so that under changed circumstances, whatever these might be within the length of the agreement, or after it ends or if it's extended, it likely gives Iran the ability to go nuclear fairly quickly.

I don't know the details. IEA and U.S. Intelligence would have a better idea, but I would guess, and it's just a guess, probably about a year if it needed to, given the foundation it's already built for itself.

I don't want everyone to think a massive threat is coming out of the Middle East, but the second key issue is projected down the road. In part, it's not just Iran, but if Iran does this, what will everyone else do in the region? That's where a greater threat starts to emerge as everyone else, not just the Israelis but the Saudis and others, respond to this new threat environment.

The real issue is their ballistic missile development program, which has certainly reached into the intermediate range. It's not operationally deployed, but it could bring all of Europe pretty well under threat. Then from there, the step forward, which won't be that difficult a step to make, would be to go to an ICBM capability. That may be the one that will eventually kill the agreement, because conditions are attached to the agreement with regard to their ballistic missile developments.

Mr. Bob Saroya: Mr. Hobbs, you said we are misunderstood in the Middle East and North Africa. What should we be doing as a unit to make sure they understand that we are not bad people, that we are not the bad guy, but are here to protect them.

Mr. David Hobbs: We do everything we can in that regard. We have several meetings per year where we specifically engage partners from the Middle East, North Africa, and the Gulf. This year alone we've got three visits to the Gulf. We've done Abu Dhabi, we're doing Qatar, and we hope to do Saudi Arabia. We try to engage them in dialogue as much as we can, and we usually find it's very constructive.

When we talk about the threats, as James has pointed out, there is the potential direct element such as the missile and nuclear programs of Iran, but there are also second-order threats, if you like. If there's instability and conflict in the Middle East, everybody pays the price, not the least of which are the victims, the refugees, but also in terms instability and economic shocks. We all have to pay extremely close attention to that and help them, as NATO is now focusing on helping them build their own capacities, such their own defence capabilities, and their own development in terms of good governance, which everyone is working on. But as far as we're concerned, it is about dialogue. We need as much dialogue and engagement as we can possibly handle. Bear in mind that we're a relatively small and resource-limited organization. It's a big focus for us.

Mr. Bob Saroya: My next question is this. Canada is now a part of NORAD, but not part of ballistic missile defence to protect Canadian cities from missiles coming from wherever. Why are we not part of it? Is this a cost issue? Is Canada not part of it because of the cost?

Hon. Joseph A. Day: No, I think it was a politically motivated decision not to participate in missile defence. As a result of that, the United States put missile defence outside of NORAD. We participate in NORAD as an equal. It's a very successful program. The vice-chair of NORAD is a Canadian, and Canada was involved right at the top level during 9-11.

Canada has played a major and appreciated role in NORAD. Missile defence is something we need to look at. It would have been part of NORAD, obviously, if we had joined. We didn't, so the U.S. treats it in another building down the street that we don't have a key to.

● (1010)

The Chair: That's your time.

I'm going to give the floor to Ms. Alleslev.

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

I'm obviously very excited to have you here today. I first want to continue with my colleague Mr. Spengemann's questioning of Mr. Hobbs on the role of parliamentarians and the relationship between the NATO Parliamentary Assembly and NATO itself.

It's not a formal relationship, as I understand it right now. I wonder if you could speak to that relationship and possibly give us some thoughts on where that relationship could be further strengthened in a more official and regimented capacity, rather than through the graciousness of their perspective.

Mr. David Hobbs: I only have 10 minutes. Is that right?

Ms. Leona Alleslev: Five.

The Chair: Four minutes, 10 seconds.

Mr. David Hobbs: The relationship with NATO is amazingly good. In discussing the relationship between the parliamentary and government counterparts compared to with, for example, in the old days, the Western European Union and OSCE now, both of those had a formally regulated treaty-bound relationship. They envied the relationship we had with NATO itself, because ours had been built up by precedent and was a fully functioning, sensible relationship that was rather better than in some other organizations.

It's at all levels. NATO works with us, for example, in terms of budget. There are our audit authority. They check the finances. The NATO Office of Security keeps a friendly eye on us. The cyber people also do, because we just don't have the resources for dealing with some things like that.

When NATO's doing training programs for military people and diplomats on, for example, how civilian oversight works, they call upon the assembly to provide speakers for them. We call upon our members or parliamentary staff to work in NATO programs. Similarly, when we're doing programs for parliamentarians from countries that are developing democratic institutions, we ask NATO people to talk about that side of the equation for them.

NATO does make a modest contribution to our budget and even though it's not part of a binding agreement, we've had an exchange of letters, which we do periodically to make sure that we can never ratchet back from where we are—

Ms. Leona Alleslev: But from a formal perspective, when the parliamentary assembly suddenly submits its reports and recommendations to NATO, there's no real obligation on NATO's part to respond or to incorporate those recommendations or studies into the NATO environment. Is that something that is ongoing in terms of where we should be going?

Mr. David Hobbs: I think we have to be very careful because defence is a national prerogative, and oversight of defence establishments and national defence policy is by national parliamentarians. If we start saying that we're going to look at NATO and do parliamentary oversights of NATO, then there's resistance, because that's where the Canadian Parliament or the Canadian military doesn't feel it should be obliged to be accountable to a parliamentary question from Luxembourg, for example. That would be the extension.

Ms. Leona Alleslev: Is there not a difference between oversight and responsibility—

Mr. David Hobbs: Transparency, yes. Actually, that's exactly where we find that NATO is. In fact, whenever we ask for something and say that it's for transparency's sake, they fall all over themselves to be helpful. They recognize the value of the parliamentary organization providing transparency—and not accountability, if you like, but letting people see what they do. We're knocking on an open door. If we get the vocabulary right, we really have a remarkably free exchange of opinion.

● (1015)

Ms. Leona Alleslev: Perfect. I'm sorry to interrupt—

Mr. David Hobbs: Regarding the policy recommendations, it's unthinkable that we would not get a formal response from the North Atlantic Council these days. For every single policy recommendation that we submit, we get a written response saying, “This is what we think about it and this is what we're doing about it.” That's a remarkable achievement, actually.

Ms. Leona Alleslev: It is, but they don't have—

Mr. David Hobbs: They can't make it an obligation that they act upon it. I think that would be—

Ms. Leona Alleslev: Exactly.

Mr. David Hobbs: —asking a little bit too much.

Ms. Leona Alleslev: Now, I'd like to take you to the education aspect, because we do—

The Chair: I'm going to have to cut it off. That's five minutes. There's going to be some time, and I know you're on the list for another question, if you'd like it.

I'm going to go to Mr. Garrison for the last formal question and then I can let the committee know what we'll do with the remaining time.

Go ahead, Mr. Garrison.

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

I'm going to go back to Mr. Hobbs with some trepidation, because parliamentarians like to ask leading questions to get answers that they will like.

You said that arms control would not be the first tool in the box for responding to the heightened level of tensions. In your professional opinion, what would be the first tool in the box to respond to these increased levels of tension over possible nuclear confrontations?

Mr. David Hobbs: We started with something called the European reassurance initiative when, of course, our members, particularly in the Baltics, were genuinely frightened about what might happen next after the experience of Ukraine. Now, that's switched. It's now the European deterrence initiative. Right now, the response is to make sure that we can deter anyone from thinking that they could mount a similar type of operation against a NATO ally.

I don't say that arms control is off the table, but the first reaction is to make sure that you can deter and, if necessary, defend. That's the mode that we're in now. Regarding efforts to actually have dialogue with Russia at the NATO level, they do their best. They still have meetings at the NATO-Russia council, but it's largely monologues by people talking past each another. Nobody's saying that there's been a huge amount of progress there.

As I said, it would be great if we could achieve lower levels of armaments through arms control. However, before that, you need a degree of stability, trust, and a different environment from the one that we have now, which is more one of competition than cooperation.

Mr. Randall Garrison: Certainly, in Canada, I would say that we've had all-party support for those deterrence efforts, including the forward deployment, so it seems to me that NATO's already done those things.

Mr. David Hobbs: No, they are still doing them.

Mr. Randall Garrison: Okay. They are in the process of doing those things.

You mentioned that disarmament and arms control are not on the 2018 agenda of the Parliamentary Assembly.

What is most prominent on the agenda?

Mr. David Hobbs: Overwhelmingly, it's NATO adaptation to the new security environment. It's also addressing and responding to instability in the south. It's looking forward to the summit, including with regard to what's being done in terms of the burden-sharing debate. How much progress is being made towards 2% and what are the impediments to that? Also, what is NATO's role in the fight against terrorism? What can be done and what should be done?

Specifically, if you want the topics of reports, there is the role of special operations forces, Afghanistan, space industry, free trade instability in the south or the Balkans, security in northeast Asia, cybersecurity, the dark web, the Gulf, hybrid warfare, democracy and human rights.... It's a big list.

Mr. Randall Garrison: I do take it that the Parliamentary Assembly is very active. I do accept that.

In terms of the upcoming summit—

The Chair: I have to leave it there with time for the last question.

That ends the two rounds of formal questioning.

Mr. Randall Garrison: Okay.

The Chair: We do have time left on the clock. I have four people who indicated to me that they would like questions. It's not necessarily balanced out by party, so I'm willing to take more and I have undertaken with Mr. Garrison to leave him some time to discuss a motion, which we will do as a committee.

I'm going to start then with the first question. Please limit it to four minutes for the question and response.

Mr. Bezan, you have the first question.

Mr. James Bezan: Thank you, Mr. Chair.

First and foremost, my question is for you, Professor Fergusson. I know that we've talked a lot about BMD, so I want to switch over to aerial defence and look at the aggressive posture that Russia has assumed. They're flying Russian Bear bombers up along Canadian and U.S. airspace, flying through the English Channel, and buzzing the maritime task force ships with their fighter jets in the Baltic Sea, the Black Sea, and the North Sea.

I'm wondering what we need to be doing from a Canadian perspective and a NATO perspective to make sure Canada is doing its part. We send jets for air policing in Romania, Iceland, and other places. What do we need to have to build up our aerial defence here and help our NATO allies?

● (1020)

Dr. James Fergusson: As I mentioned earlier, the key thing for Canada is the north warning system and NORAD's relationship with it, and then from there the acquisition of intercept capabilities to ensure our capacity to deter, relative to the Russian strategic doctrine of the threat to escalate in order to de-escalate. You have gaps or command-and-control seams between various command structures, or you have capability gaps. Those can be exploited politically in this case to advance the interests of Russia.

That's the key thing in my mind, and it's really the interface for Canadian vital interests in the alliance with NATO. Our current forward commitment, given our available resources, is probably as much as Canada can do. I can't see our doing any more.

The important thing for Canada, as it is for all the allies relative to the threat that the Baltic states perceive, particularly Poland and Romania as front-line states, is the need to symbolically commit—this is part of communications and deterrence—and communicate that the alliance will stand together. That, I think, we are doing fairly well.

Mr. James Bezan: Thank you.

The second part of my question is for both Mr. Hobbs and Professor Fergusson. It's about going down the path of the shared values that NATO members have. We can see the behaviour of Turkey right now, particularly in the bombing of Afrin in Syria. Do they still have that shared value? Are they a trusted member of NATO?

Also, there are other nations that have always aspired to become members of NATO. We have a different dialogue taking place in Sweden and Finland now. Is there more that we can be doing in Ukraine? What about Georgia and Moldova?

I'd like to have some comments, particularly on Turkey's membership, and then on which other future members could achieve membership within NATO.

Mr. David Hobbs: We had our annual meeting in Istanbul in 2016. The Turks had to approach that realistically, because it was quite clear that many of our members—which pretty much represent all political parties in the alliance—were expressing very, very, very severe reservations about what was going on in Turkey and that we could not possibly have that meeting and not discuss those issues.

I give credit to our Turkish delegation. I don't say they slipped into it, but they eventually recognized the logic that they had to make space for those forms of discussion, because it was inevitable that those things would come up. They put the minister of justice and various government ministers into each of the committees so that we could have a completely frank exchange of views, and it included one member of the Turkish Parliament who had been arrested and had just been released.

In formal terms, when a nation ceases to have a functioning parliament, the assembly is quite clear: they cease to participate in the NATO Parliamentary Assembly. In our history, there have been times when we didn't have Portugal, Greece, or Turkey. We're not there yet with Turkey.

The Chair: That's your time. It goes quickly.

Almost every single person on that side of the group has indicated that they want to ask a question. There's only one way I can do it fairly: I've just taken the ones who had the least amount of time in the first round and put them at the front.

The first question will go to you, Leona.

Ms. Leona Alleslev: Thank you very much.

I want to draw your attention, if I could, to the "NATO and Security in the Arctic" report that was done for the NATO Parliamentary Assembly. In there, they make a very compelling case that NATO should and does have a role in the Arctic. In terms of their recommendation around the changes in the threat levels and the increasing presence of Russia and China, they've made a recommendation for NATO not necessarily to be active but to start the dialogue and start looking at preparing for that space.

I wonder if you could comment on that, Mr. Fergusson, and please give me just one minute at the end so I can ask Mr. Hobbs one more question.

● (1025)

Dr. James Fergusson: Okay, I'll be very brief.

I read the report. I disagree with the recommendations. What exactly is NATO going to do except in the context of flight paths, which is something we have already dealt with? The key thing is the Arctic is a transit point. We're talking about transit of both air and sea, and increased transportation up there. Those issues are regulatory and co-operative. You need to sit down with the Russians, whether you do it through the Arctic Council or through the Law of the Sea process, or you simply do it on a bilateral, trilateral, or multilateral basis of the actors who are involved to sort out the rules of the road, if I can put it that way.

NATO has no role to play in that. Happily they can talk about it. That's fine, because NATO likes—and don't take this badly—to talk about everything, for a variety of political reasons within the delegations. The key issue for NATO is the nature of the Soviet fleet: their long-range aviation and the bastioning of their submarine-launched ballistic missile fleets, which takes place in the area north of Norway—not north of Canada. That's the key strategic issue for the alliance. It's not questions around the security of the Arctic. That is for the key Arctic players, and NATO's formal involvement will simply be seen by Moscow as provocative: "What are you doing up there?"

Ms. Leona Alleslev: NATO parliamentarians think there's a role, because we hosted 30 of them to go up to the Canadian Arctic in September, which was pretty fantastic.

Mr. Hobbs, if I could, speaking to the working subcommittee on education of the NATO allies, and the importance of the annual session in Halifax, what is the role of parliamentarians in communicating within their countries, and what would be the benefit of coming to...oh, I don't know...Halifax, Canada for the first time in 12 years, where the NATO PA is hosting an annual session?

Mr. David Hobbs: We've found that NATO has been incredibly supportive of the initiative that our president launched to improve education and awareness about NATO within member countries. It's like delivering that last mile. You can put in all sorts of facilities that are available, but NATO itself can't reach down and do information policy. Information policy is national, so it can provide all sorts of resources that national people can pick up, and they are hoping that our delegation—our participants in that working group—will, if you like, take advantage of all the information resources that NATO has and apply them in the national context as they see appropriate.

They are hosting two meetings of that working group, starting a week on Monday and a week on Wednesday, and for parliamentary staffers there's another meeting on the Thursday. We are really moving ahead with this, and it really is to try to get synergy between NATO and the assembly in terms of getting the message about NATO down to our publics, our education systems, and our parliaments. That's one thing.

In terms of participating in a session, this is the one where it really is a massive opportunity to look at the topics we're dealing with, as well as to have the dialogue. This is the annual session where we will have probably 100 parliamentarians from non-member countries—predominantly but not exclusively the Middle East and north Africa—and we will try to engage them in what we do and explain what the alliance is about and how we can co-operate with them. You can clearly see it's the pinnacle, the crowning achievement of what we do, and it's where the policy recommendations get adopted.

Sorry, I keep on with, "We've got to adopt your rules. They're so much better than ours."

The Chair: We'll go to Mr. Bezan, then Mr. Robillard.

Mr. Bezan.

Mr. James Bezan: Thank you, Mr. Chair.

I just wanted to talk a bit about Ukraine, the aggression there, and the number of NATO allies—of course including Canada—providing training and support to counter the Russian military.

Can NATO be doing more in Ukraine to make sure they are successful in defending their sovereign territory against Russian invasion?

Hon. Joseph A. Day: We have many parliamentarians in NATO who want us to do more, and we have many who say we're doing more than enough at this stage. We're looking for that balance.

There is a lot of dialogue through our NATO PA Ukraine group. They're very active and very informed, and they bring back the information to the overall sessions we have. They will be communicating to us, and if there are some gaps, we'll be hearing about them.

● (1030)

Dr. James Fergusson: The danger of doing too much is a simple one. If NATO does too much and expands what it's doing right now even further, that is likely to be a signal to reignite the war that has not stopped, but has sort of paused—albeit that's not the right word. But you know what I mean: it's sort of grounding slowly. That becomes a signal, I think, a danger that the Russians will then escalate it.

Mr. James Bezan: Right now we have in the Donbass the OSCE monitors who are documenting over 1,000 violations of the Minsk ceasefire agreement every damn day.

Dr. James Fergusson: Those would go up dramatically, I would think, if NATO did more—

Mr. James Bezan: Okay.

Dr. James Fergusson: —which doesn't mean that bilaterally, individual states, who are portraying themselves as being at arm's-length distance, cannot do more.

Mr. James Bezan: Professor Fergusson, at the beginning you talked about China's polar policy. You're thinking that they're going to do more transiting through the Russian Arctic side than through the Canadian Arctic portion of the Arctic Ocean, yet China's near-Arctic policy—it came out at the end of January—talks about the polar Silk Road, and specifically about coming through the Northwest Passage.

Is there a disconnect between what you envision they will use as trade routes versus what they are saying?

Dr. James Fergusson: I do. Now, I'm not an expert on this. My colleague Dr. Charron, who has been here, is the real expert on this, but I would suggest there are two things here.

If the Chinese motive to engage in the Arctic is a function of their economic interest to be able to move goods more efficiently and cost-effectively to Europe and the eastern seaboard of the United States, then, from what I understand, it is a function of currents and the way the earth rotates and where the ice breaks out. The ice always ends up clogging parts of the passage. As a result, it's the eastern passage, the Russian passage, that is the much easier and more profitable one.

In my view, China's emphasis on the Northwest Passage is really not economic, but China saying, "We are a great power. We have global interests. Whenever there are global questions"—and they include the Arctic—"we have to be included." This is a message to Canada along those lines.

The Chair: Mr. Robillard.

[*Translation*]

Mr. Yves Robillard: Is it correct to assume that, although Canada may not be allocating 2% of its GDP to defence costs, the Canadian Armed Forces are providing NATO with specific capabilities, including a degree of integration with the armed forces of the United States?

Hon. Joseph A. Day: We talk about the 2% issue at each meeting. Canada is not there yet, but, two meetings ago, our minister said that Canada is moving in that direction.

The question is always knowing what is included in the 2%. Every country says that it will try to reach 2%, plus 20% in equipment, but NATO says that they are not at 2% yet. It is always an interesting issue at our meetings.

[*English*]

Mr. Yves Robillard: Mr. Chair, I will share the rest of my 40 seconds with—

The Chair: It's more than 40 seconds.

Dr. James Fergusson: Could I make a brief comment on this issue? It's one that's gone on for so long. The issue of burden sharing for Canada is within North America. There is a big bill coming, which will be vitally important for Canada's strategic interests in relation to North American defence. The issue for the United States' burden sharing is about the Europeans. It's always been about the Europeans; it's not about us.

Mr. Mark Gerretsen: Mr. Hobbs, building on this discussion and the conversation you were having with Mr. Fisher about these calculations, let's just assume for a second that we could come to an agreement as to how we're going to calculate it. I know that NATO has its standards. Some countries include their pensions; some don't. Some include their coast guard; some don't. Canada doesn't, but the U.S. does, but let's just assume for a second that you could square that away.

There's also the other issue that's come up around this table quite a bit. Quite frankly, in our study, when we went overseas we found that perhaps measuring this strictly from a monetary perspective was not the best way. For example, when we were in Latvia, where Canada heads the brigade, we sat down with officials there who said that other countries wanted to be part of this brigade because Canada was there. Italy, Poland, and these other countries have chosen us. There is a certain amount of clout or goodwill that comes with having Canada's name behind it.

How do you put that into the equation or measure that in terms of a contribution to NATO? You can't build that into your monetary assessment of it, but does that not have some kind of value? If we're not using that in the equation, are we not doing an injustice to the actual contributions toward NATO?

● (1035)

Mr. David Hobbs: There isn't a fair way of dealing with this issue. There's a vast body of literature about what you measure and how you can compare it. There were efforts that said, look, we should actually look at what we do in terms of numbers of forces. But how do you compare a nation with a big army with one with a big navy and all of that sort of stuff? Everybody has tried it. There have been hundreds of studies about what you should do. Lots of European countries—Canada perhaps doesn't do procurement organizing quite the same way—argue those sorts of things.

The problem is that if you also look at value for money, in Europe we get possibly 50% the same value for money in our procurement as does the United States. Even if we started to say that we should compare capabilities, if you looked at the comparison of capabilities in aggregate it would be far worse for Europe as compared with the United States.

Lots of nations do lots of very good niche things. They all do. At the end of the day, it's not fair, but it's the least—

Mr. Mark Gerretsen: I appreciate that, but my question was about whether it's fair. You're saying that it is fair in the way it's being done.

Mr. David Hobbs: There isn't a fair way of doing it that anybody would universally accept. It's good enough. Frankly, some of the contributions are so far out of kilter, it's a pretty good indicator of where more can be done. How do you compare capabilities? You could do that, but you would never find an agreed standard. That's one reason they've adopted this one, because it's so hard.

Mr. Mark Gerretsen: If you can't find an agreed standard, then how does the standard even have any legitimacy? If people don't agree that it's....

Mr. David Hobbs: They did agree. They did agree, and it's as good as any other, if you like. You could argue the merits and demerits of all sorts of others, but this is one that at least you can measure. It's equality of sacrifice, if you like.

Mr. Mark Gerretsen: So it's good enough.

Mr. David Hobbs: Also, don't forget that they put in 20% of defence investment, which is as important. If you're just spending it on salaries, you're not spending it on equipment. At least it forces you to spend a certain amount on hardware and things that are actually usable in the field.

It's an imperfect science. I wish there were a universally accepted measure.

Hon. Joseph A. Day: I'm convinced that the soft costs you're talking about are considered, but they're not part of the 2%. The 2%, at periodic summit meetings, is referred to—i.e., we say, “Yes, we'll try”, and then we look at it and how close we're coming to it. The soft costs are considered, but are not part of that.

The Chair: I'll have to leave the conversation there, gentlemen. Thank you.

If you could just....

Ms. Leona Alleslev: Could I make a point of order for a second?

The Chair: Go ahead.

Ms. Leona Alleslev: It's probably not a point of order.

Some hon. members: Oh, oh!

Ms. Leona Alleslev: I have a request. I'm wondering if all of the parliamentarians in the room, after the meeting breaks up, might consider having a picture with the Secretary General of the NATO Parliamentary Assembly, so that we could have that on the record.

The Chair: Okay.

That said, if you gentlemen could just bear with us for a second, we have some housekeeping things that we need to do.

I'll turn the floor over to Mr. Garrison.

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

I believe on Friday members of the committee received a notice of motion from me. That motion reads as follows:

> That the Standing Committee on National Defence invite the Minister of National Defence, the Deputy Minister, and other relevant Department personnel to appear before the Committee at the earliest opportunity for a one day study to discuss the steps taken at the Department of National Defence on addressing Phoenix payroll issues experienced by its civilian employees and the impact these issues have had on employees' morale and operational effectiveness; that a meeting to this effect take place within 30 days from adoption of this motion; that this meeting be televised; and that the Committee to report its findings to the House.

I know that people were present when I asked the minister about this in November. I asked again in the House two weeks ago. These problems are still not being addressed. That's my reason for moving this motion.

What I'd like to do today is move to refer this to the steering committee meeting on Monday.

● (1040)

The Chair: Are there discussions on that?

Mr. Gerretsen.

Mr. Mark Gerretsen: By moving to refer it to the steering committee, is that acceptance of the adoption of it, or is it just to be dealt with at the steering committee?

Mr. Randall Garrison: It's to be dealt with at the steering committee.

Mr. Darren Fisher: The steering committee would come forward to this committee with a recommendation.

The Chair: Correct. We've done it before.

Mr. Mark Gerretsen: So we can discuss it at that time?

The Chair: You bet.

Mr. Mark Gerretsen: Okay. That's fine.

The Chair: Can I get a show of hands, just to make sure we're all in favour of adopting this motion by Mr. Garrison?

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: Gentlemen, thank you very much for your time. I appreciate it. If you would be so kind as to stick around for a photo, we would appreciate it. Thank you so much.

The meeting is adjourned.