



National Defence

Défense nationale

Deputy Minister

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The Honourable Kevin Sorenson
Chair, Standing Committee on Public Accounts
House of Commons
Ottawa, Ontario
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Dear Mr. Sorenson,

As promised in the Government Response to the Forty-Sixth Report of the Standing Committee on Public Accounts, entitled *Report 6, Royal Military College of Canada – National Defence, of the 2017 Fall Reports of the Auditor General of Canada*, National Defence submits its responses to Recommendations 2, 3, 5, 6 and 7, due 31 December 2018.

Sincerely,


Jody Thomas

Enclosures: 1

Canada 

Response to the Standing Committee on Public Accounts, Report 6: Royal Military College of Canada, of the Fall 2017 Reports of the Auditor General of Canada

Recommendation 2

That, by 31 December 2018, National Defence provide the House Standing Committee on Public Accounts with a report outlining the progress achieved regarding cost effectiveness as presented in the Department's Detailed Action Plan that was tabled on 21 November 2017.

In the Government Response to the Standing Committee on Public Accounts' *Report 6, Royal Military College of Canada*, National Defence committed to providing an interim report by 31 December 2018, outlining the progress achieved regarding cost-effectiveness as presented in the Department's Management Action Plan. National Defence also committed to a final report by 31 July 2019. To this end, in its Management Action Plan, National Defence committed to verifying RMC's operating cost per student, comparing RMC's verified cost per student to that of similar Allied military institutions, and comparing RMC's verified operating cost per student to that of three Canadian universities of similar size, adjusted for scope. It also committed to reviewing the per-student cost of the Regular Officer Training Plan (ROTP) specifically, and to reviewing the number of academic programs the College offers, with a view to reducing costs per student.

As outlined in the update to Recommendation 3, National Defence verified RMC's operating cost per student and compared it to the costs of Canadian universities. Per the Committee's recommendation, it also compared the cost of RMC to the cost of two civilian commissioning plans: the civilian ROTP and the Direct Entry Officer Plan. National Defence will complete its comparison of RMC's costs against the costs of Allied military institutions by 15 July 2019, as well as its review of ROTP-specific costs.

This update focuses on how National Defence is improving RMC's cost-effectiveness. Action in this area began in the fall, following internal discussions throughout the spring and summer on the best way forward.

Cost-effectiveness can be improved in two ways – reducing cost of input or increasing value of output. National Defence is, therefore, taking a two-pronged approach to improving RMC's cost-effectiveness. It is reviewing the College's academic programming from a cost-per-student perspective, as it committed to doing in the action plan, while also increasing the value of the College's military component.

Better value for money in academic programming

A significant portion of the relatively high cost per student at RMC is attributable to academic programming, and National Defence is focusing its efforts in this area – consistent with the Auditor General's recommendation. As part of a comprehensive review of RMC's academic programming, National Defence is considering options for achieving short-, mid- and long-term cost savings, along

with their implications for enrolment, labour relations and RMC's university accreditation. National Defence's objective is to achieve meaningful savings with minimal impact on the quality of Officer Cadets' academic experience.

As it committed to doing in the action plan, National Defence will finish reviewing RMC's academic programming by 15 July 2019 and begin acting on its conclusions by the beginning of the 2019 school year.

Better value for money in military programming

Concurrently, National Defence is taking steps to ensure Officer Cadets develop a stronger military foundation and are better able to contribute when they arrive at operational units. RMC is implementing an approach to learning tailored to Officer Cadets' future military careers, bringing standards of behaviour and leadership into line with CAF requirements, and offering on-the-job training that better prepares Officer Cadets for their expected CAF roles. These measures will help correct the imbalance identified by the Auditor General between the academic and military aspects of the Regular Officer Training Plan.

Response to the Standing Committee on Public Accounts, Report 6: Royal Military College of Canada, of the Fall 2017 Reports of the Auditor General of Canada

Recommendation 3

That, by 31 December 2018, National Defence provide the House of Commons Standing Committee on Public Accounts with a report that A) explains the Department's rationale for comparing the operating costs of RMC to those of Allied military institutions; B) compares RMC's education operating cost per student to Canadian academic institutions of similar size; and C) compares the cost of officers recruited and developed through other means such as the Regular Officer Training Plan (ROTP) – Civilian and the Direct Entry Officer Plan.

In the Government Response to the Standing Committee on Public Accounts' *Report 6, Royal Military College of Canada*, National Defence committed to providing the Committee with each of the elements it requested by 31 December 2018. The Management Action Plan reiterated this commitment.

A) Comparing RMC's costs to Allied military institutions

National Defence is comparing Royal Military College (RMC)'s operating costs to the US Military Academy (West Point), the Finnish Military Academy and the Australian Defence Force Academy to identify similarities and differences in costs of education, military training and physical training. To date, it has completed a preliminary comparison with West Point and is awaiting data from the other two academies.

National Defence has found that differences in the institutions' scale, the scope of their operations, and their approach to capturing their costs make reliable cost comparisons difficult. It will nevertheless complete the comparisons by 15 July 2019, per its commitment in the Management Action Plan.

B) RMC's cost per student compared to similar Canadian universities

National Defence compared RMC's cost per student to that of four Canadian universities of comparable size: Lakehead, Acadia, Mt. Allison and St. Francis Xavier. National Defence's analysis looked at two broad groups of costs: (1) salaries and (2) operating and maintenance expenses (e.g. infrastructure, maintenance, renovations, travel and contracted services) (details included in the Annex).

While the per-student costs for the four Canadian universities were broadly consistent, RMC's were significantly higher even after making allowances for RMC-specific costs (e.g. leadership, second language, and fitness). These costs accounted for approximately 15% of RMC's cost per student. The comparison showed that, as a fraction of total cost, RMC's operating and maintenance costs were low compared to the four universities, and its salary costs (civilian and

military) were high. As it describes in its response to Recommendation 2, National Defence is now conducting a review of academic programming with a view to reducing cost per student.

C) The RMC Regular Officer Training Plan's cost compared to other commissioning plans

National Defence compared the cost of an RMC-generated officer to the costs of two civilian commissioning programs: the Regular Officer Training Plan (ROTP) – Civilian and the Direct Entry Officer Plan. The comparison included the cost of education and the cost of salaries and benefits.

National Defence's assessment confirms that an ROTP RMC-trained officer costs almost twice as much as the ROTP Civilian University program, with no cost to the Direct Entry Officer program. As outlined in Recommendation 2, National Defence is now assessing potential ways to reduce RMC's relative costs and will report its findings to the Committee on 31 July 2019.

RMC's cost per student compared to similar Canadian universities

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The RMC Regular Officer Training Plan's cost compared to other commissioning plans

Plan	Salary & benefits	Education cost	Total	AG's total (Exhibit 6.4 of audit)
ROTP – RMC	\$52,300	\$55,000	\$107,300	\$100,822
ROTP – Civilian	\$52,300	\$7,300	\$59,600	\$59,732
DEO	\$0	\$0	\$0	\$0

Consistent with the Auditor General's approach, National Defence used \$91 million as RMC's total operating cost and \$55,000 as the cost of educating an Officer Cadet. National Defence's figures have been rounded.

Response to the Standing Committee on Public Accounts, Report 6: Royal Military College of Canada, of the Fall 2017 Reports of the Auditor General of Canada

Recommendation 5

That, by 31 December 2018, National Defence provide the House of Commons Standing Committee on Public Accounts with a report detailing its progress regarding better defining the role of the Commandant as the executive authority for day-to-day operations and long-term planning of all aspects of the Royal Military College of Canada's operations, particularly the ability to oversee and integrate military training and academic programs.

In the Government Response to the House of Commons Standing Committee on Public Accounts (PACP's) report, National Defence stated that "the Chief of the Defence Staff (CDS) has directed that the length of command tour for the Commandant will be three years". The Government Response also pointed to work being undertaken to review the Royal Military College (RMC's) governance framework. The Management Action Plan (MAP) stipulates that this review will be completed by 31 August 2020. These actions aim to strengthen the Commandant's role as the executive authority for day-to-day operations and the long-term planning of RMC's programs.

Extension of the Commandant's Tour

In July 2017, the CDS extended the length of the Commandant's tour from two to three years, commencing with the current Commandant. This change will help ensure better strategic continuity in the management of RMC's programs and will help strengthen the Commandant's role in the long-term planning of all aspects of RMC's operations.

Creation of the Council of Commandants

In addition, the CDS created the Council of Commandants to ensure that the programs delivered by RMC, as well as other Canadian Military Colleges, are consistent with the objectives and employment requirements of the Canadian Armed Forces (CAF). Specifically, the Council provides a forum for the CDS to engage with the Commandants of these institutions on a biannual basis to share his vision and outline his objectives for their programs and operations. This helps ensure that the Commandant has the highest direction required to carry out his executive authority for day-to-day operations, in accordance with the broader strategic vision and guidance articulated by the CDS.

Better Integration of Military Training and Academic Programs

In addition to his role of overseeing the proper and efficient administration of RMC, the Commandant is also responsible for the successful integration of military training and academic

programs to ensure the development of Officer Cadets across all four of RMC's pillars (leadership, education, bilingualism, and physical fitness).

In terms of day-to-day operations, this involves ensuring, for example, that professional military training is practical and connected to lessons learned in academic courses, particularly on leadership and ethics. Conversely, it also involves ensuring that faculty can effectively instill and reinforce military discipline and values in the academic program.

As part of its broader governance review, RMC created a Senate Working Group, which is examining coordination and potential synergies between the military and academic wings. On the basis of its findings, the Senate Working Group will propose recommendations to the Commandant by April 2019 to improve the integration of military and academic programs.

Next Steps

RMC will begin work on implementing the recommendations of the Senate Working Group by September 2020.

Response to the Standing Committee on Public Accounts, Report 6: Royal Military College of Canada, of the Fall 2017 Reports of the Auditor General of Canada

Recommendation 6

That, by 31 December 2018, National Defence provide the House of Commons Standing Committee on Public Accounts with a report detailing what progress has been made with regard to ensuring that before senior Officer Cadets at the Royal Military College of Canada are appointed to command positions, they demonstrate high standards of conduct and ethical behaviour.

In the Government Response to the House of Commons Standing Committee on Public Accounts (PACP's) report, National Defence stated that "the process for selecting Officer Cadets to senior leadership positions had been revised, with a number of major changes as of November 2017" and that "additional efforts are being made to ensure high standards of conduct and ethical behaviour". As outlined in the Management Action Plan (MAP), these efforts include assigning dedicated mentors from the Department of National Defence and the Canadian Armed Forces (DND/CAF) to each leadership position. These changes will help ensure that Officer Cadets develop discipline and proper ethical conduct before they graduate from Royal Military College (RMC) and go on to become leaders in the CAF.

Strengthened Selection Process for Leadership Positions

Prior to November 2017, Royal Military College made appointments to leadership positions based primarily on the expression of interest by Officer Cadets. In November 2017, RMC implemented major changes to the selection process for appointing Officer Cadets to leadership positions by introducing selection criteria and increasing the involvement of senior RMC leadership in the selection process.

As part of this new process, RMC has developed merit-based criteria including academic performance, military conduct as tracked in the twice annual Progress Developmental Review, physical fitness as tracked in the twice annual Physical Performance Test, second language ability, and performance during summer training, where applicable.

Additionally, Training Wing Command staff are now responsible for selecting candidates for leadership positions. Given their close involvement in the training and professional development of Officer Cadets, the Training Wing Command staff are well-placed to assess the skills, performance and developmental needs of each individual Cadet. As part of the recent changes, the Commandant now approves the selection of all candidates to leadership positions to ensure a fair and consistent interpretation of the selection criteria. While the selection process is based on overall merit and ability, advantage is given to Employment Equity groups, where possible, to ensure greater diversity among Officer Cadets selected for leadership positions.

While all Officer Cadets are required to successfully complete a leadership position, opportunities range from junior leadership roles, such as organizing a sports event or a mess dinner, to more senior leadership opportunities, such as squadron or division leaders. The new selection process applies to both senior and junior leadership positions. However, for senior leadership positions, the emphasis is placed on performance, conduct, and leadership skills to ensure that Officer Cadets demonstrate the required qualifications before being appointed to these positions. In the case of junior leadership positions, however, more emphasis is placed on exposure to leadership opportunities to allow Officer Cadets to develop the necessary skills to go on to more senior leadership opportunities.

Increased Involvement of Mentors

RMC leadership has reinforced changes to the selection process by increasing the involvement of CAF members as mentors to help develop leadership skills among Officer Cadets. Specifically, all Officer Cadets in leadership positions are now assigned a dedicated CAF mentor to provide guidance and feedback to allow them to make adjustments, learn from any mistakes, and grow from the experience.

Next Steps

RMC leadership is monitoring the changes made to the selection process to ensure that they are contributing to the selection of highly-qualified candidates. This will ensure that the CAF can consistently draw on well-trained Officer Cadets from RMC to fulfill Canada's defence objectives, both at home and abroad.

Response to the Standing Committee on Public Accounts, Report 6: Royal Military College of Canada, of the Fall 2017 Reports of the Auditor General of Canada

Recommendation 7

That, by 31 December 2018, National Defence provide the House of Commons Standing Committee on Public Accounts with a report detailing what progress has been made with regard to ensuring that military training staff have the proper skills and training they need to develop leadership skills among Officer Cadets at the Royal Military College of Canada.

In the Government Response to the House of Commons Standing Committee on Public Accounts (PACP)'s report, National Defence stated that "personnel resource investments have been made to provide additional and more experienced leaders and mentors at the Royal Military College (RMC)." As outlined in the Management Action Plan (MAP), this includes increasing the rank of personnel posted into the position of the Director of Cadets, as well as Training Wing staff positions, by 31 August 2020. The MAP also commits to the establishment of new selection criteria for Training Wing staff by 30 November 2017. These changes aim to help develop strong leadership skills among Officer Cadets to prepare them to become effective leaders in the Canadian Armed Forces (CAF).

Higher Military Rank Requirement for Training Wing Positions

In Summer 2017, RMC identified 19 Training Wing positions to be filled by CAF members of a higher military rank than the current incumbents. This includes the position of the Director of Cadets, which is responsible for the overall conduct, supervision, discipline, and performance of cadets.

A higher military rank will ensure that Training Wing staff can draw from a higher level of training and skills commensurate with their time and experiences in uniform. As CAF members progress in rank and responsibility, training is specifically structured to develop and grow leadership skills from a focus on leading individuals to leading a broader organization. As such, each military rank is accompanied by a progressive increase in levels of accountability, responsibility, and authority, aimed at developing stronger leadership ability.

To date, 18 of the 19 positions have been filled at the designated higher rank. The remaining position will be filled at the higher rank by 31 August 2020, when the incumbent is posted out as part of the regular military rotation cycle.

Strengthened Selection Criteria for Training Wing Positions

In addition, on 30 November 2017, RMC revised the selection criteria for Training Wing staff to ensure that the personnel assigned to these positions have the necessary competencies, motivation, and experience required for employment within RMC's unique military educational

environment. The selection criteria now includes a new requirement for applicants to have previous command experience. Consistent with RMC's bilingualism and physical fitness pillars, other criteria relate to second language skills and physical ability. A recommendation from the applicant's current Commanding Officer is also required to ensure that the applicant is qualified for employment at RMC.

Considerations related to diversity also factor into the selection process as RMC works to increase representation across all Employment Equity groups – particularly women – among Training Wing staff. This will help ensure that the CAF remains reflective of the full spectrum of Canadian society.

Ongoing Review of Staff Orientation and Training Programmes

As part of regular practice, RMC is reviewing internal staff orientation and training programmes to ensure that they remain reflective of the academic and military requirements of RMC as an institution, and can adjust to the diverse and evolving developmental needs of Officer Cadets.

Next Steps

RMC will put in place measures to assess the effectiveness of changes made to the rank requirement and selection process for Training Wing staff by 31 August 2020. This ongoing effort will help ensure that the CAF can continue to draw on high-quality Officer Cadets from RMC, reinforcing National Defence's core objective of building a strong, effective, and well-trained military that can respond to the complex and continually evolving nature of modern threats.