

**Response to the Standing Committee on Public Accounts'  
Report 5, Canadian Army Reserve – National Defence, of the Spring 2016  
Reports of the Auditor General of Canada**

**Recommendation 5**

*That National Defence provide the House of Commons Standing Committee on Public Accounts with an interim report on its progress in meeting its action plan's first two milestones by 31 January 2018, and a final report assessing the effectiveness of its retention strategy by 30 September 2019.*

**Background**

In the spring 2016 report on the Army Reserve, the Auditor General recommended that National Defence design and implement an Army Reserve retention strategy. National Defence agreed with the recommendation and committed to developing and implementing this strategy by 30 September 2019 through a four-stage process: orientation, strategy design, implementation, and validation.

In December 2019, National Defence reported that changes to the scope and scale of the retention strategy, which had been expanded to include the entirety of the Canadian Armed Forces, had resulted in delays. National Defence noted that it had accomplished phase one of the process (orientation) in March 2019, and was in the process of developing a strategic framework that identifies high-level priorities. National Defence stated that it would finalize phase two (strategic design) and have a strategy and implementation plan in place by September 2020, and committed to following up with the Committee by 31 December 2020.

**Current status: phase two (strategy design)**

Work on this phase remains ongoing. In March 2020, National Defence completed its strategic framework, which identifies principles to guide retention efforts. Based on this work, National Defence is developing a strategy and implementation plan, as well as a performance measurement framework. In doing so, National Defence is incorporating lessons learned from developing and implementing past initiatives, such as the Total Health and Wellness Strategy and the Canadian Armed Forces – Veterans Affairs Canada Joint Suicide Prevention Strategy.

National Defence is ensuring that all ongoing retention efforts are incorporated into the strategy, are aligned, and will effectively address attrition among key demographics within the Canadian Armed Forces and within specific trades. This work includes a thorough Gender-Based Analysis Plus and a focus on 'targeted retention.' These efforts will result in a more effective and lasting strategy that protects National Defence's investment in the expertise and knowledge of its people and creates more diverse and inclusive workforce.

National Defence expects to complete the strategy, the implementation plan, and the performance measurement framework by June 2021.

**Next steps: phases three (implementation) and four (validation)**

Upon completion of the strategy, National Defence will launch phase three of the process (implementation). As the implementation plan is still in development, National Defence cannot yet provide additional detail on phase three. As noted in December 2019, National Defence will require at least 16 months to implement the strategy and thoroughly assess its effectiveness using the performance measurement framework before launching phase four (validation).

**Future updates to the Committee**

By 30 June 2021, National Defence will report to the Committee on the finalized strategy and initial plans for implementation. National Defence will also provide a second update to the Committee by 31 December 2022 outlining the effectiveness of the new retention strategy.