National Defence

Performance Report

For the period ending
March 31, 2002

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The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament.

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of funds.

Foreword

In the spring of 2000, the President of the Treasury Board tabled in Parliament the document "Results for Canadians: A Management Framework for the Government of Canada". This document sets a clear agenda for improving and modernising management practices in federal departments and agencies.

Four key management commitments form the basis for this vision of how the Government will deliver their services and benefits to Canadians in the new millennium. In this vision, departments and agencies recognise that they exist to serve Canadians and that a "citizen focus" shapes all activities, programs and services. This vision commits the Government of Canada to manage its business by the highest public service values. Responsible spending means spending wisely on the things that matter to Canadians. And finally, this vision sets a clear focus on results – the impact and effects of programs.

Departmental performance reports play a key role in the cycle of planning, monitoring, evaluating, and reporting of results through ministers to Parliament and citizens. Departments and agencies are encouraged to prepare their reports following certain principles. Based on these principles, an effective report provides a coherent and balanced picture of performance that is brief and to the point. It focuses on outcomes - benefits to Canadians and Canadian society - and describes the contribution the organisation has made toward those outcomes. It sets the department's performance in context and discusses risks and challenges faced by the organisation in delivering its commitments. The report also associates performance with earlier commitments as well as achievements realised in partnership with other governmental and non-governmental organisations. Supporting the need for responsible spending, it links resources to results. Finally, the report is credible because it substantiates the performance information with appropriate methodologies and relevant data.

In performance reports, departments and agencies strive to respond to the ongoing and evolving information needs of parliamentarians and Canadians. The input of parliamentarians and other readers can do much to improve these reports over time. The reader is encouraged to assess the performance of the organisation according to the principles outlined above, and provide comments to the department or agency that will help it in the next cycle of planning and reporting.

This report is accessible electronically from the Treasury Board of Canada Secretariat Internet site:
http://www.tbs-sct.gc.ca/rma/dpr/dpre.asp

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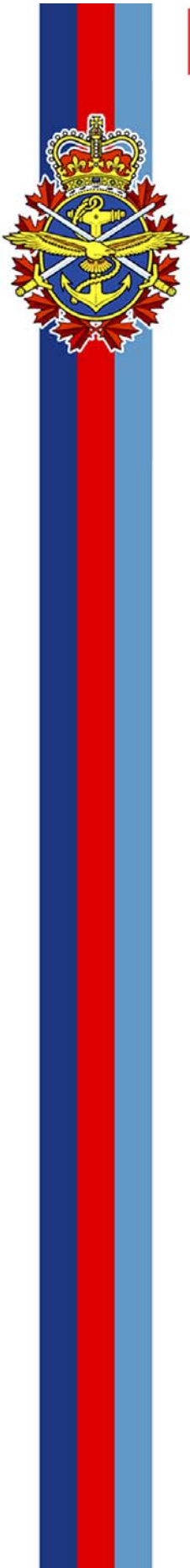
**Department of
National Defence**

Departmental
Performance Report

for the period ending
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Minister's Message

It is with a great sense of pride that I present my first report to Parliament as Minister of National Defence.

When the Prime Minister asked me to become Minister of National Defence last spring, I eagerly accepted this challenging position. In accepting the appointment, I also felt a deep sense of duty and obligation—duty to the people of Canada to fulfil the responsibilities of Defence Minister to the best of my abilities, and an obligation to the men and women of the Department of National Defence and the Canadian Forces, who have dedicated themselves to defending the interests and values we share as Canadians.

Over the past few months, I have also had the privilege to witness first-hand the professionalism, dedication, and sacrifices of the people who work for the Department of National Defence and serve in the Canadian Forces. DND and the CF are clearly grappling with significant resource and transformational challenges. And, while the institution has worked hard over the past few years to lay a foundation for the future, significant challenges remain.. Despite this, the institution met its commitments under exceptional circumstances.

At the outset of fiscal year 2001–02, the DND/CF leadership—with the support of the Government—made a conscious decision to "put people first" in an effort to reduce operational pressure on the men and women of the Forces, reinvest in recruiting, professional development, diversity and employment equity, and streamline priorities to reduce overall workload pressures. At the same time, the DND/CF leadership made it clear that it needed to:

- optimize the military force structure;

- modernize management practices;

- foster Canada's defence relations; and

- continue to contribute to national priorities.

Unfortunately, the world remains unpredictable.

On September 11, 2001, we all witnessed one of the most tragic attacks on American soil. As a country, we responded immediately by: providing safe haven for U.S.-bound civilian passenger aircraft diverted to Canada; increasing the number of Canadian aircraft assigned to the North American Aerospace Defence Command (NORAD); and increasing readiness levels at home and abroad. We also expressed our heartfelt sympathy for the innocent lives lost, and collectively made a commitment to stand "shoulder to shoulder" in the resulting U.S.-led campaign against terrorism. As Prime Minister Chrétien stated:

> *We have never been a bystander in the struggle for justice in the world. We will stand with Americans. As neighbours. As friends. As family. We will stand with our allies. We will do what we must to defeat terrorism.*

We then followed up this commitment with Canada's largest naval deployment in decades, the Army's first combat deployment since Korea, and a $7.7-billion increase in spending on public safety and security in Budget 2001. Of this, the Department of National Defence received an additional $1.2 billion through to fiscal year 2006-07 to:

- increase the capability of Joint Task Force Two;

- enhance signals intelligence and computer-network defence;

- develop a dual-use nuclear, biological and chemical (NBC) defence capability to support CF deployed operations or, if requested, to support civilian first-responders in a domestic situation;

- enhance and rationalize the Canadian Forces' NBC protective equipment;

- increase CF holdings of NBC medical countermeasures and improve stock maintenance;

- enhance the contingency-planning capacity of the Disaster Assistance Response Team (DART) and provide for some additional domestic-response capability when the unit is deployed overseas; and

- ensure that CF and civilian first-responders are adequately prepared to protect Canadian interests by upgrading and consolidating the facilities required to provide training, advice, and technological support to the CF, civilian first-responders, and other government departments and agencies.

At the same time, DND has continued to move forward on its broader corporate priorities, laying the groundwork to continue efforts to modernize the CF's force structure, strengthen management practices, and enhance Canada's defence relations, while contributing to broader national priorities.

Against this backdrop, to say that the men and women of the Canadian Forces and the Department of National Defence "delivered" does not really do their efforts justice. Following September 11, thousands cancelled leave, worked overtime, and redeployed abroad to help us meet our commitments and obligations to international peace and security and the campaign against terrorism—all above and beyond what was already being carried by the institution. Further, in the ultimate sacrifice, four CF members lost their lives.

Clearly, while DND and the CF have successfully risen to the challenge, the past year has exacerbated the strain on the institution as a whole. The Department of National Defence and the Canadian Forces face significant funding pressures.. The cost of the defence program and the resources allocated to support it are becoming increasingly unsustainable..

As the Chief of the Defence Staff and many of Canada's leading defence academics have made clear in my recent consultations with them, we are at a crossroads between the past and the future. While the fundamental tenets of our defence policy remain sound, the world is changing, we face new and emerging threats, and we must adjust our force posture in response.

The Government of Canada acknowledges these pressures and has made a clear commitment in the recent Speech from the Throne that "before the end of this mandate, the government will set out a long-term direction on international and defence policy that reflects our values and interests and ensures that Canada's military is equipped to fulfill the demands placed upon it."

Setting out a long-term direction, however, does not preclude the need to make decisions in the short term. Put simply, DND must continue its efforts to modernize the CF's force structure by eliminating less relevant capabilities and by investing in those most relevant to the future.

It is clear that Canada continues to need and benefit from multipurpose, combat-capable forces. We must always ensure the defence of Canada, and we continue to have both a national interest

and a responsibility to contribute to the defence of North America and to international peace and security.

This report helps to explain why, acknowledging both the outstanding performance of the institution and the pressures it is facing.

The Honourable John McCallum, P.C., M.P.
Minister of National Defence

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Part I: Introduction

The Department of National Defence (DND) and the Canadian Forces (CF) perform essential functions of government, including monitoring and patrolling Canada's coastline and aerospace, delivering disaster relief, supporting other government departments and agencies, protecting Canadian sovereignty, and enforcing Canadian law. Together, they form one of Canada's most visible national institutions, with a presence in more than 3,000 communities across the nation.

DND and the CF also contribute to Canadian security, prosperity, and reputation. In an interdependent world, our well-being depends on global security, development, and trade. As a citizen of the world, Canada must be willing to contribute to maintaining the peace and international stability on which our prosperity depends. When threats to this stability emerge, the CF is a vital instrument of government policy for which no alternative exists.

The Defence Mission

The mission of DND and the CF is to defend Canada and Canadian interests and values while contributing to international peace and security.

In delivering this mission, DND and the CF provide Canadians with a broad range of services at home and abroad.

In Canada, key DND/CF services include:

- surveillance and control of Canadian approaches and territory;

- support to other government departments and agencies such as the Royal Canadian Mounted Police (RCMP), the Department of Fisheries and Oceans (DFO), Environment Canada (EC), and Citizenship and Immigration Canada (CIC);

- national search-and-rescue (SAR) services;

- assistance to civil authorities;

- aid to the civil power, delivered pursuant to section 275 of the *National Defence Act*;

- support for the federal response to counter-terrorist and asymmetric threats;

- critical-infrastructure protection and emergency preparedness; and

- support for major international events held in Canada.

DND also contributes significantly to national priorities and the well-being of Canadians. It supports Aboriginal communities through the Canadian Rangers and the Junior Canadian Ranger Program, and Canada's youth through the Cadet movement. It is a major federal sponsor of and advocate for research and development. It is also an essential part of our national history, heritage, and identity.

In North America, DND and the CF make Canada's contribution to continental defence in co-operation with the United States. To this end, the CF operates more than 50 radar sites across Canada as part of the North Warning System. The CF and the armed forces of the United States share intelligence and security information on an ongoing basis, and train together in joint and combined exercises. Canada and the U.S. are partners in the North American Aerospace Defence

Command (NORAD), which has a binational command structure. In total, Canada and the United States are co-signatories of more than 80 treaty-level defence agreements and 250 memoranda of understanding.

Internationally, Canada participates in multilateral operations mounted by the United Nations (UN), the North Atlantic Treaty Organization (NATO), and coalitions of like-minded nations. The CF makes significant contributions to several major NATO programs, including bilateral training, NATO Flying Training in Canada, the Partnership for Peace initiative, and the Military Training Assistance Program. The CF also supports a wide range of arms-control activities, maintains the ability to respond rapidly to humanitarian emergencies worldwide through the Disaster Assistance Response Team (DART), and maintains the ability to protect and evacuate Canadians from areas threatened by conflict.

It should be noted that the domestic, continental, and international elements of the Defence mission are performed simultaneously by the same people, and by means of the same equipment and infrastructure.

The Defence Portfolio

The Defence mission is carried out by several related organizations and agencies, including (but not limited to) the following:

- the Canadian Forces (Regular and Reserve Forces);

- the Canadian Forces Housing Agency (CFHA);

- the Canadian Forces Personnel Support Agency (CFPSA);

- the Canadian Cadet movement and the Junior Canadian Rangers;

- the Communications Security Establishment (CSE);

- Defence R&D Canada (DRDC);

- the Department of National Defence (DND);

- the Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP);

- the National Search and Rescue Secretariat; and

- the Office of the Chief Military Judge.

The following independent organizations report directly to the Minister of National Defence:

- the Canadian Forces Grievance Board;

- the Military Police Complaints Commission;

- the Office of the DND/CF Ombudsman; and

- the Office of the Judge Advocate General (JAG).

The CF also includes the following services:

- a police service, comprising the Military Police and the National Investigation Service operating under the Canadian Forces Provost Marshal;

- a justice system, administered under the superintendence of the Judge Advocate General;

- an institution of higher learning, the Canadian Defence Academy, comprising a university (the Royal Military College of Canada) and other educational and professional development centres, such as the Canadian Forces College, the Canadian Forces Leadership Institute, and the Canadian Forces Management Development School;

- medical and dental services, since CF members are excluded from the 1984 *Canada Health Act*;

- firefighting services;

- a chaplaincy; and

- extensive communications networks in Canada and abroad.

Accountability

The *National Defence Act* establishes DND and the CF as separate entities operating in close co-operation under the authority of the Minister of National Defence. Accountability in DND and the CF is described in detail in *Organization and Accountability: Guidance for Members of the Canadian Forces and Employees of the Department of National Defence*. This publication is available on-line at www.forces.ca/inside/ins_orgacc_e.htm.

Overview of the Departmental Performance Report for Fiscal Year 2001–2002

The Departmental Performance Report (DPR) for fiscal year 2001–2002 has six parts:

- Part I describes the mission, organization, accountability, and strategic outcomes of DND and the CF;

- Part II reviews performance, highlighting key achievements, progress on priorities, and the challenges and pressures faced by the institution;

- Part III provides additional details on DND and its related agencies;

- Part IV contains consolidated reporting;

- Part V contains financial and human-resources tables; and

- Part VI covers operational and organizational information not included elsewhere.

Strategic Outcomes

This table summarizes the strategic outcomes to be achieved by DND and the CF through capability programs organized in compliance with the Planning, Reporting and Accountability Structure (PRAS) approved by Treasury Board in September 2001 (for details, see the document posted at www.vcds.dnd.ca/dgsp/publications/pras_2001_e.doc).

Results from strategic priorities identified in the *Report on Plans and Priorities* for fiscal year 2001–02 are reported on page 24.

STRATEGIC OUTCOME	CAPABILITY PROGRAM
To provide Canadians with multipurpose, combat-capable maritime, land, and air forces capable of defending Canada and Canadian interests and values while contributing to international peace and security.	Core defence capabilities: • Conduct operations (see page 7) • Generate forces (see page 11) • Sustain forces (see page 14) • Command and control (see page 16) • Corporate policy and strategy (see page 17)
To provide Canadians with a civil emergency-preparedness capability, humanitarian assistance, and disaster relief.	Other capabilities: • Provide emergency and humanitarian relief (see page 37)

Part II: Departmental Performance 2001–02

Fiscal year 2001–02 was pivotal for DND and the CF. In April 2001, the institution was relatively well positioned to handle pressures and challenges such as those it dealt with in the late 1990s. Institutional reforms introduced during the late 1990s were almost fully implemented. Efforts to improve the quality of life of CF members were well under way. CF members had received pay raises. DND had developed and issued *Strategy 2020* to guide longer-term business planning.

DND also started to make some of the program adjustments required to reposition the CF for the future. Based on lessons learned during the 1990s, the advance of new technologies, and analysis of new and emerging threats (including asymmetric threats such as terrorism and the potential for attack on critical infrastructure), efforts were being made toward selective, strategic reductions in capabilities in some areas to permit reinvestment in others. Between April 1999 and March 2001, as part of these efforts, DND had disposed of two minesweepers and 51 aircraft (including two Dash-8 transports, seven Challenger executive jets, and 42 T-33 Silver Star interceptor/electronic warfare aircraft); reduced the number of aircraft to be modernized to 80 CF-18 Hornet fighters (from 122), and 16 CP-140 Aurora maritime patrol and surveillance aircraft (from 21); placed one *Iroquois*-class destroyer on extended-readiness status; and removed funding from two *Kingston*-class maritime coastal defence vessels.

At the same time, DND diverted resources to support reinvestment in people, the Canadian Forces Medical Service (the military health-care system), and key modernization programs such as the CF-18 Hornet and CP-140 Aurora projects. In February 2001, the Office of Critical Infrastructure Protection and Emergency Preparedness was established and, by mid-summer, DND (with the support of Parliament) was able to reduce overseas military commitments, especially in the Balkans, to ease the pressure of frequent operational deployments on the men and women of the CF.

In short, although challenges remained, progress was being made to address priorities and ease operational pressures. DND and the CF were thus able to respond to the events of September 11, 2001, by fielding a significant contribution to the international campaign against terrorism, while continuing their activities to protect Canadian sovereignty, support other government departments and priorities, and fulfill Canada's international obligations and defence commitments.

Collectively, however, the events of September 11 and related developments have served to strain DND resources and personnel, and to validate its priorities and the need to adjust to changing military realities. Although the strategy for the future is sound, the *status quo* is not sustainable; the operational tempo—and the concomitant pressure on personnel—remains high, and the CF faces significant recruiting and retention challenges. Also, many of the extensive DND realty assets are aging, and the department needs to modernize equipment and capabilities. Finally, DND and the CF need to transform themselves into organizations with the capabilities needed for the future, and divest themselves of capabilities that are less relevant to the emerging security environment.

The funding provided in the 2001–02 Defence budget included: $300 million for military equipment purchases; $100 million for *Operation APOLLO,* and $155.7 million in additional funding, including security-agenda funding.

To highlight DND/CF achievements over the past year, and the lessons learned and reinforced by the events of September 11, 2001, Part II of this DPR is divided into two sections:

- **Capability Programs**, covering work done to deliver core defence capabilities; and

- **Strategic Priorities**, covering work done to support progress toward the long-term goals of the federal government as a whole.

Capability Programs

In September 2001, the Treasury Board of Canada approved DND's new **Performance, Results and Accountability Structure** (PRAS), which marked a shift in the department's resource planning, allocation, and reporting structure from eight "service lines" to five "capability programs": Conduct Operations; Sustain Forces; Generate Forces; Command and Control; and Corporate Policy and Strategy. The Capability Programs represent the core functions performed by DND and the CF to achieve "results for Canadians" through the Defence mission. The information set out in this DPR is organized according to Capability Program to clarify the link between resources and results. The following chart indicates how the Capability Programs relate to each other.

Linkages Between Capability Programs

"Results For Canadians"

Defence Mission

Conduct Operations

Generate Forces

Sustain Forces

Command and Control

Corporate Policy and Strategy

(PRAS)

Defence Policy / Government Direction
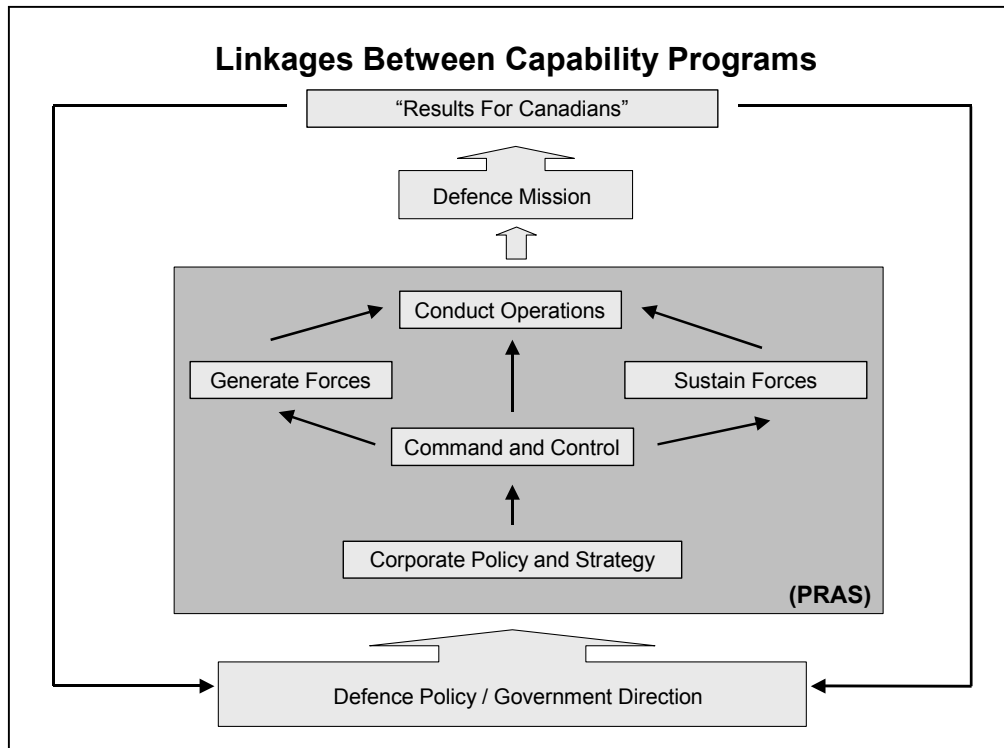
Performance measurement in DND continues to be based on the corporate **Performance Measurement Framework** (PMF), which was refined further during 2001–02 with measures and indicators developed at the corporate level. The collection and analysis of data, and a proposed synchronization of reporting cycles with business planning and corporate priorities, have commenced. Also, it is expected that, over the next few years, the PMF will be enhanced to reduce areas of deficiency, thus providing DND with the capacity to improve reporting to Parliament and internal decision-making, based on performance information.

Conduct Operations

Planned Results
The ability to employ the range of military capabilities required to achieve assigned missions, when and where directed.

Performance Measurement Areas	
• Meet readiness levels	• Ability to deploy for operations
• Meet domestic obligations	• Meet capability requirements
• Meet international obligations	• Ability to sustain operations

Resources Consumed		
Departmental Spending	Planned: $4,323.4 million	Actual: $4,394.2 million
Human Resources – Military	Planned: 18,468 FTEs	Actual: 18,459 FTEs
Human Resources – Civilian	Planned: 420 FTEs	Actual: 437 FTEs

The ability to conduct operations effectively is critical to DND and the CF, for operations are their most visible way to make a difference and contribute to the protection of Canadian interests and values at home and abroad. "Operations" include the following activities:

- surveillance and control;

- search and rescue;

- humanitarian assistance;

- aid to the civil power;

- evacuation of Canadians;

- assistance to other government departments;

- UN operations;

- defence of North America; and

- international security, including Canada's commitments to NATO.

Military operations are initiated, both at home and abroad, with increasingly shorter lead times and almost always in concert with other government departments, non-governmental agencies, the armed forces of allied nations, or any combination thereof. When Canada is a participant in a military coalition, DND can tailor the Canadian contribution to the capabilities and resources available, and to the needs of the coalition. Also, as military operations generally take place far from Canada, and the CF is now entirely Canada-based, the capability to deploy to a theatre of operations in a timely fashion is important. This statement should not be taken to mean that DND needs to own all the assets required for deployment, but rather that DND must have assured access to assets that would provide sufficient mobility when it is needed.

Results

International Operations

In 2001–02, the CF deployed overseas on 23 operational missions. The incremental cost to DND for peacekeeping and humanitarian operations was $413.6 million.

INTERNATIONAL OPERATIONS FY 2001- 02

OP ARTISAN
CIDA

SNFL
NATO

OP QUADRANT
UN/NATO - Kosovo

OP FORAGE
FYROM

OP SNOWGOOSE
UN - Cyprus

OP CHAPERON
UNMOP

OP DANACA
UN - Golan Heights

OP PALLADIUM
SFOR - B-H

OP CALUMET
MFO - Sinai

OP IMAGE
NATO - Italy

OP RECORD
UN - Iraq / Kuwait

OP ECHO
NATO - Italy

OP APOLLO
Coalition - CAT

OP HUMBLE
DFAIT - Haiti

OP AUGMENTATION 2001
Multi-National Interdiction Force

OP REPTILE
UN - Sierra Leone

OP SCULPTURE
IMATT - Sierra Leone

OP TOUCAN
UNTAET - East Timor

OP CROCODILE
UN - Democratic Republic of Congo

OP JADE
UNTSO-Middle East

OP CONNECTION
CARE - Kenya

OP ADDITION
UNMEE – Ethiopia/Eritrea

OP ECLIPSE
UNMEE - Eritrea

The Multinational Coalition Against Terrorism: Operation APOLLO

Clearly, the most significant operational achievement of the year was the response of DND and the CF to the terrorist attacks of September 11, 2001, in the United States, and the consequent campaign in southwest Asia.

In the immediate aftermath of the attacks, all DND employees and CF members were engaged in Canada's response. The CF immediately recalled all personnel, increased readiness levels at home and abroad, increased the number of aircraft assigned to NORAD, and assisted civil authorities and agencies in the provision of relief to more than 23,000 passengers and aircrew aboard 142 civilian flights diverted to Canadian airports when all U.S. airspace was closed. Over the next three weeks, a multinational coalition was formed under U.S. leadership to conduct a major international campaign against terrorism in southwest Asia. Canada's participation in this campaign began on October 7, 2001, with the launch of *Operation APOLLO*.

Operation APOLLO, which involved more than 3,000 CF members in fiscal 2001–02, is conducted by the **Canadian Joint Task Force South West Asia** (JTFSWA), with headquarters

collocated with U.S. Central Command Headquarters at MacDill Air Force Base near Tampa, Florida. JTFSWA comprises the following deployed units and formations:

- the **Canadian Naval Task Group**, with three to five warships operating in the Arabian Gulf and the Arabian Sea;

- the **Tactical Airlift Detachment**, with three CC–130 Hercules aircraft transporting passengers, cargo, and equipment to forward destinations in the theatre of operations, including Afghanistan;

- the **Long-Range Patrol Detachment**, with two CP–140 Aurora maritime surveillance aircraft providing reconnaissance support to the coalition fleet operating in the Arabian Gulf and the Arabian Sea;

- the **Strategic Airlift Detachment**, with one CC–150 Polaris aircraft providing long-range airlift of passengers, cargo, and equipment;

- a component of **Joint Task Force Two**;

- the **3rd Battalion, Princess Patricia's Canadian Light Infantry (3 PPCLI) Battle Group** operating from the Kandahar International Airport in Afghanistan; and

- the **National Support Unit**, providing logistics services (e.g., administration, supply, transport, and maintenance) to the other deployed units.

Of these units and formations, only the 3 PPCLI Battle Group has ceased operations; it returned to Canada at the end of July 2002 and will not be replaced in the near future.

At year's end, Canada was the fourth-largest contributor to the international coalition. Our deployed forces participated in several combat operations, including *Operation HARPOON* in Afghanistan, during which the Canadian battle group commander led coalition troops; contributed to humanitarian assistance in the region; and conducted maritime interdiction operations in the Arabian Gulf and the Arabian Sea.

Other International Operations

As well as *Operation APOLLO*, the CF undertook, maintained, or concluded missions in Europe, Africa, and Asia; for example, with *Operation PALLADIUM*, the CF remains a significant part of the NATO Stabilization Force in Bosnia-Herzegovina. For more detailed information on CF operational deployments, please see Part VI of this report.

Domestic Operations

Surveillance and Control of Canadian Territory

The CF is responsible for the monitoring, control, and protection of Canadian approaches and territory. Here are some highlights of CF surveillance and control operations in fiscal 2001–02:

- At each of its bases (Halifax, Nova Scotia, and Esquimalt, British Columbia), the Navy maintained a "ready duty" ship—that is, a ship on eight hours' notice to sail—and a Maritime Operations Centre operating around the clock seven days per week to respond to possible threats to Canadian sovereignty.

- The Navy assisted the RCMP and the Canada Customs and Revenue Agency by sharing with these law-enforcement agencies the Recognized Maritime Picture, which is compiled for the east coast by TRINITY and for the west coast by ATHENA (the only Canadian sources of this information) and disseminated to the CF and key U.S. government agencies.

- In accordance with the NORAD Agreement, the Air Force maintained fighter aircraft in high-readiness status for immediate employment in support of ongoing commitments. On and immediately after September 11, NORAD-related activity increased significantly.

Search and Rescue

Between January 1 and December 31, 2001, the CF's three joint Rescue Co-ordination Centres responded to a total of 8,218 aeronautical, maritime, and humanitarian search-and-rescue incidents, a level of activity similar to that logged in 2000. In the 6,448 marine incidents and 705 air incidents, 3,469 lives were saved, 127 lives were lost, and 50 people were declared missing. For additional information on search and rescue, see the section on the National Search and Rescue Secretariat in Part III of this report.

Assistance to Other Government Departments and Humanitarian Assistance

The level of activity related to the provision of assistance to other government departments was both significant, and similar to the level noted in 2000. DND assisted other government departments by providing support for efforts such as ground searches, drug-interdiction operations, disaster relief, international meetings in Canada, and cultural events, and law-enforcement operations. Specific tasks included the following:

- The Navy conducted 91 days of fisheries patrols in Atlantic waters in support of the Department of Fisheries and Oceans, 26 days fewer than originally planned due to deployments on *Operation APOLLO*.

- During the foot-and-mouth epidemic in Britain and western continental Europe, DND employees and CF personnel worked closely with the employees of the Canadian Food Inspection Agency to tighten cleaning and inspection procedures for NATO allies coming to Canada and CF personnel returning from Europe.

- On and immediately after September 11, the CF provided temporary shelter for 1,650 airline passengers whose flights were diverted to Canada from destinations in the United States.

Support to Major International Events

The CF also continued to play a major role in providing support to major international events in Canada. In 2001, *Operation QUADRILLE* took more than 2,000 CF personnel to Québec City to support the Summit of the Americas, and provided equipment to local authorities in Edmonton to support the World Athletics Championships.

Evacuation of Canadians

The CF continued to maintain the capability of assisting in the evacuation of non-combatant Canadians from foreign nations. An Army element was kept on three days' notice to move with an independent 15-day sustainment capability; the Army also led the drive to develop joint strategic and operational plans for non-combatant evacuation missions.

Risks and Challenges

As demonstrated by the terrorist attacks of September 11 and the international response to them, Canada must respond to new security challenges. Regional instability, intrastate and ethnic conflict, and ideological and religious extremism show no signs of abating, and we continue to face threats such as the proliferation of high-end conventional weapons, biological and chemical weapons, and asymmetric threats such as terrorism and cyber-attacks. Furthermore, the demand for peace-support and humanitarian assistance in many theatres is expected to continue at least at current levels; an increase is also possible.

Since collective defence is fundamental to Canadian security, large-scale conventional military operations are carried out in co-operation with international partners. The challenge is to continue to make meaningful contributions to the alliance and coalition forces to which we are committed, given available resources. In particular, the CF must remain interoperable with the armed forces of the United States and other coalition allies. Although complete interoperability is not necessary, this requirement remains a challenge, given the American emphasis on cutting-edge technologies.

The ability to deploy, particularly in "surge" situations, is also a challenge. DND must be able to get the CF where it is needed in times of crisis — both at home and abroad. To meet this challenge, a number of solutions are being considered, including acquisition of strategic sea- and airlift, contractual arrangements with private-sector service providers, or contractual arrangements with allied forces; for example, as part of the NATO Defence Capability Initiative.

Generate Forces

Planned Results
The ability to recruit and train personnel; research, test, and procure equipment; and design force structure to produce multipurpose, combat-capable military forces.

Performance Measurement Areas		
• Meet readiness levels related to force generation • Extent of recruitment • Extent of training and employment	• Extent of modernization • Ability to mobilize	

Resources Consumed		
Departmental Spending	Planned: $1,348.5 million	Actual: $1,486.1 million
Human Resources – Military	Planned: 12,979 FTEs	Actual: 12,972 FTEs
Human Resources – Civilian	Planned: 3,339 FTEs	Actual: 3,470 FTEs

"Generate Forces" comprises many general support capabilities that provide DND and the CF with the personnel, equipment, and organizational structures needed to recruit, train, and deploy multipurpose, combat-capable maritime, land, and air forces. The capability includes meeting readiness levels, recruiting, training, retention, equipment modernization, and mobilization.

Results

Meeting Readiness Levels

During 2001–02, the CF maintained the readiness levels required to carry out its assigned mission and tasks. The Army maintained the required readiness levels, but at some risk; the increased demand for soldiers in operational deployments affected its ability to deliver personnel, especially in support occupations, while obeying the "12 months in Canada" waiver criterion.

A waiver must be obtained from the Chief of the Defence Staff (CDS) for the overseas deployment of any CF member within 12 months of his or her return from another overseas mission. During fiscal year 2001–02, the CDS approved 270 such waivers, an increase over previous years due in large part to *Operation APOLLO*.

Funding constraints made it necessary to reduce collective training, contributing to an overall erosion of combat capability. Only units on operational deployments were trained to an acceptable level; funding for unit-level collective training was not available to units not scheduled for operational deployments. As a result, a new training framework had to be developed; it will be implemented in fiscal 2002–03. The Navy experienced similar pressures, due in large part to the force-generation demands of *Operation APOLLO*.

Recruiting, Training, and Retention

DND and the CF must be able to recruit, train, and retain enough skilled professionals to conduct operations, and deliver on their core missions and tasks. While operational commitments have been met, there is no question that significant human-resources challenges exist. , particularly in high-demand, specialized occupations. In response, DND increased its spending on recruiting and retention initiatives, but the resulting surge in recruiting is creating downstream pressures on professional development and training systems designed, staffed, and funded to support the recruiting levels of previous years. Currently, improvements made in the training and professional-development system are alleviating some of the pressure caused by increased recruiting. For more information on recruiting, training, and retention, including information on the successful DND/CF recruiting campaign, see "Recruiting" in the Strategic Priorities section on page 27.

Modernizing Equipment

Modernization remains a priority for DND and the CF. During 2001-2002, DND continued to strengthen its capital equipment program. The following is an alphabetical list of major Crown projects. (A major Crown project is a government project that is likely to cost more than $100 million, or entails significant risk.)

- Armoured Personnel Carrier Replacement
- Canadian Forces Supply System Upgrade
- Canadian Forces Utility Tactical Transport Helicopter
- Canadian Search-and-Rescue Helicopter
- CF-18 Engineering Change Proposal 583

- Clothe The Soldier

- Evolved Sea Sparrow Missile

- Light Utility Vehicle, Wheeled

- M113 Armoured Personnel Carrier Life-Extension

- Maritime Helicopter

- Military Automated Air Traffic System

- Protected Military Satellite Communications

- Submarine Capability Life Extension

- Tactical Command, Control and Communications System

- Weapons-Effect Simulation

For complete status reports on specific projects, visit the following Web site:
www.vcds.forces.gc.ca/dgsp/dfppc/pubs/dpr/intro_e.htm.

Mobilization Capability

For detailed information on Reserve Forces, see page 39.

Risks and Challenges

The low recruiting levels and the downsizing of the defence establishment of the 1990s have combined with other factors to produce an aging workforce and personnel shortfalls, problems exacerbated by the need to compete directly with the private sector for high-quality young workers, a shrinking resource. About one third of military occupations are considered under strength, and DND faces a similar challenge with respect to its civilian employees.

Previous budget reductions affected the ability of the training system to handle large inflows of recruits. Current funding constraints have produced a lack of collective training at the operational level, which means a shortfall in leaders with experience in directing large numbers of troops. The current shortage of junior leaders and skilled people will manifest itself at higher levels in future if it is not properly addressed now.

While modernization remains a priority, progress in strengthening the DND capital-equipment program has been slower than expected, and the demand for capital equipment over the next several years exceeds the resources available. Also, in recent years, DND has used part of its capital-equipment budget to support other priorities, especially personnel initiatives. The effects of this reallocation of resources are not limited to delays and cancellations in the capital-equipment program; reductions have been necessary in equipment operations and maintenance, support for infrastructure, provision of spares, and delivery of repair services.

The Revolution in Military Affairs (RMA) has made and will continue to make a significant impact on defence capabilities. Powered by the technologies that are transforming global commerce, the RMA has increased both the cost and sophistication of weapons and equipment systems. The rapid changes in military technology and doctrine are increasing pressure to modernize the CF force structure to ensure that it remains interoperable with key allies and to

take advantage of modern weapons systems. New equipment is more complex, however, and is expected to engender higher maintenance requirements in the future.

Sustain Forces

Planned Results
The ability to repair and maintain equipment, shelter and sustain personnel, and produce the infrastructure and capabilities necessary to support military operations.

Performance Measurement Areas		
• Ability to sustain operations • Meet materiel and logistical support requirements	• Appropriate realty asset management • Meet health and well-being requirements of CF members	

Resources Consumed		
Departmental Spending	Planned: $3,900.2 million	Actual: $4,232.7 million
Human Resources – Military	Planned: 21,065 FTEs	Actual: 21,054 FTEs
Human Resources – Civilian	Planned: 13,594 FTEs	Actual: 14,132 FTEs

DND and the CF must be able to sustain the people, equipment, and infrastructure needed to support operational tasks and missions, and to fulfill operational requirements over time. "Sustaining Forces" focuses on ensuring the continued employment of military forces. This capability includes logistical support to operations, maintenance of equipment, management of DND realty assets, and support for the health and well-being of CF members.

Results

Logistical Support to Operations

During 2001–02, DND effectively co-ordinated logistics support arrangements for two new operations (*Operation FORAGE* and *Operation APOLLO*), supported up to 16 continuing missions, and closed down one mission (*Operation ECLIPSE*).

In addition, DND:

- introduced 46 new light armoured vehicles into deployed operations;

- installed the Tactical Command and Control Communications System aboard 16 Coyote armoured reconnaissance vehicles and more than 150 other vehicles deployed in Bosnia on *Operation PALLADIUM*;

- supported the deployment and in-theatre requirements of the 3 PPCLI Battle Group in Afghanistan, a combat assignment;

- upgraded the Defensive Electronic Warfare Suite on the Sea King helicopters deployed on *Operation APOLLO*; and

- made about 75 procurements of sensitive (designated and classified) electronics equipment valued at more than $15 million in support of *Operation APOLLO* and counter-terrorism initiatives.

Maintenance of Equipment

DND places a premium on the safety and effectiveness of the equipment the CF needs to conduct operations. In 2001–02, DND met this requirement by ensuring that operationally required equipment remained in top working condition, and continued efforts to strengthen management of equipment maintenance initiatives, including:

- developing in-service support for the *Victoria*-class submarine;

- implementing the Warship Asset Rationalization Project to reduce the requirement for HMC ships to carry their own spares; and

- implementing the Electronic Maintenance Action Form initiative.

Management of DND Real Estate

With 20,531 buildings, the DND real estate portfolio amounts to 44 percent of the federal government inventory by quantity, with a realty replacement cost of $15.7 billion. During fiscal year 2001-02, construction work continued on 242 projects, 20 new initiatives were started and 19 projects were completed. Overall, DND real estate is in fair condition, but maintenance and repair costs are mounting. As of March 31, 2002, the Canadian Forces Housing Agency (CFHA) was maintaining 17,291 dwelling units. Of these units, 4,128 were vacant and 3,306 were ready to be occupied. The remaining 822 units were beyond economic repair and pending disposal or demolition, or required significant repair before they could be occupied. In 2001–02, the CFHA spent $51 million to repair dwelling units to support quality-of-life initiatives, and disposed of another 1,149 units as part of a continuing housing rationalization program.

Health and Well-Being of CF Members

During 2001–02, various initiatives were launched under the Rx2000 umbrella, as part of an ongoing process which includes developing and implementing:

- a service-delivery structure that ensures continuity of health care to CF members and other entitled personnel;

- an accountability framework for Director General Health Services relative to the renewed CF health-care system, which is a single corporate-management entity;

- programs for the mitigation of preventable injuries and illnesses to protect CF members and meet operational requirements;

- a human-resources framework to ensure sustainability of CF health services; and

- the training, equipping, and deployment of two of the three Health Hazard Assessment teams as part of Force Health Protection initiatives.

Risks and Challenges

As CF equipment ages, DND faces significant and growing national procurement and maintenance costs. In the absence of reinvestment and renewal, maintenance costs must rise, leaving fewer resources for future investment in new equipment. In addition, much of the DND real-estate inventory is not suitable for current use. Nearly 60 percent of DND buildings are more than 40 years old and, therefore, are expensive to maintain and repair.

The reduced equipment inventories of recent years may also affect DND's ability to support operations, particularly in "surge" situations. The significant costs of addressing these challenges are compounded by the costs associated with introducing new, technically demanding equipment.

DND is committed to ensuring the health and welfare of CF members. Numerous recent successes in quality-of-life and health-care enhancements have improved the lives of our people. Health-care reforms are being introduced through the Rx2000 project, which is now experiencing challenges such as the high costs of implementing Rx2000 initiatives and a high attrition rate among qualified military personnel.

Command and Control

Planned Results		
The ability to collect, analyze, and communicate information, plan and co-ordinate operations, and provide the capabilities necessary to direct forces to achieve assigned missions.		
Performance Measurement Areas		
• Meet readiness levels for command, communications, and intelligence	• Meet capability requirements for command, communications, and intelligence • Confidence in leadership	
Resources Consumed		
Departmental Spending	Planned: $1,476.8 million	Actual: $1,674.9 million
Human Resources – Military	Planned: 5,853 FTEs	Actual: 5,850 FTEs
Human Resources – Civilian	Planned: 1,028 FTEs	Actual: 1,069 FTEs

The Command and Control capability is required to provide leadership and clear direction to military operations and the force-generation and force-sustainment elements of DND, to present options for military action to accomplish government policy as situations arise, and to liaise with other government departments and the headquarters of allied nations and coalition formations. This capability includes DND assessment of developments around the world, and advice to government based on timely access to information and the conduct of independent appraisals as a prelude to any CF commitment. The capability includes Command, Control, Communications, and Intelligence.

Results

DND and the CF performed well in this capability area during fiscal 2001–02. The CF has demonstrated its ability to achieve interim operational capability (e.g., by deploying a theatre-activation team to establish *Operation ECLIPSE*, the Canadian operation in Ethiopia and Eritrea). The transformation of the Joint Force Headquarters into a deployable C^4I (command, control, communications, computers, and intelligence) organization is continuing. Also, DND and the CF continue to develop their C^2ISR (command, control, intelligence, surveillance and reconnaissance) capabilities.

In addition, two major projects were implemented: a Wide-Area Network (WAN) interconnecting Australia, Canada, New Zealand, the United Kingdom, and the United States to strengthen intelligence co-operation and sharing, and the Canadian portion of a new, combined,

federated battle-laboratory network. Also, the Air Force continued to upgrade its Command and Control Information System.

In this environment, DND must ensure that it makes the investments required to gather, distribute, and share information seamlessly within DND and the CF, with other government departments and agencies, and with the governments and armed forces of Canada's allies.

Risks and Challenges

Despite the year's solid performance, the Command and Control capability is an area of concern, given the growing importance of information and intelligence to modern military operations. The events of September 11, 2001, for example, clearly demonstrated the importance of establishing and maintaining effective information liaison across military and civilian agencies and between governments.

Every year, DND and the CF must work more and more with other government departments, other levels of government, and non-governmental organizations. If these efforts are to be effective, DND must increase its interoperability with civilian organizations. Due to variations in operational systems and procedures, the task of developing a common information and intelligence capability and a common operating picture with these partners is a significant doctrinal and technical challenge.

Corporate Policy and Strategy

Planned Results
The ability to produce and implement corporate policies and strategies to achieve broad government objectives, manage departmental activities, and provide defence and security advice.

Performance Measurement Areas	
• Meet budget and resource-allocation goals • Appropriate governance and management mechanisms • Defence culture reflects Canadian values and expectations	• Meet international obligations • Meet domestic obligations • Meet mandated programs requirements • Meet environmental stewardship requirements

Resources Consumed		
Departmental Spending	Planned: $347.6 million	Actual: $455.6 million
Human Resources – Military	Planned: 914 FTEs	Actual: 914 FTEs
Human Resources – Civilian	Planned: 919 FTEs	Actual: 955 FTEs

The Corporate Policy and Strategy capability is broad in scope, comprehensive in character, and demonstrates DND/CF compliance with legislative, managerial, and administrative requirements. This capability comprises the provision of policy advice to government, security arrangements, governance and management, and support for government objectives.

Results

Legislative Initiatives

As part of the Government's response to the events of September 11, amendments to the *National Defence Act* were proposed in Bill C–42, the *Public Safety Act*, tabled on November 22, 2001. The amendments would improve the ability of DND and the CF to carry out their missions and respond to new and increasing threats to security.[1]

Policy Advice

DND continued to provide policy advice and guidance for both departmental and broader defence issues. Key achievements included:

* the production of three *Intelligence Assessments* to assist the Privy Council Office in post-September 11 crisis analysis;

* the production of *Strategic Assessment 2001,* a comprehensive analysis of the international environment and its implications for Canada's long-term security interests;

* publication of an updated edition of *New Defence Policies for a New Security Environment— A Select Review of Policies, Budgets, Force Structures and Procurement,* including new chapters on special forces and NATO, NATO and the war on terrorism, and airlift and sealift capabilities; and

* a benchmarking initiative that compares the capabilities of the CF with those of principal allies, which is ongoing.

Security Arrangements

DND continued to manage complex bilateral and multilateral defence and international-security relations throughout the fiscal year. In the area of Enhanced North American Security, DND initiated discussions with the Department of Defense in the United States on forecast changes to their Unified Command Plan and possible related effects on Canada–U.S. bilateral defence relations. Relations with the Organization of American States continued to expand bilateral and multilateral contact with selected partners in Latin America.

Security arrangements regarding NATO included NATO–European Union relations, continued assistance and monitoring of candidates in the Membership Action Plan, and support to Canada's participation in NATO discussions working on future force-structure issues. DND also provided advice on efforts to defend against the proliferation of weapons of mass destruction, including work on the development of NATO nuclear, biological, and chemical defence proposals to be discussed at the Prague Summit in November 2002. In addition, DND represented the Government in the NATO High Level Group (which deals with nuclear issues) and the Senior Defence Group on Proliferation (which deals with other weapons of mass destruction).

DND also remained active in the Asian arena. In particularly, bilateral relations with China involved enhancing contact and mutual understanding with high-level visits, while contributing

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[1] Bill C-42 was replaced by Bill C-55, the *Public Safety Act, 2002*, tabled on April 29, 2002, with similar amendments to the *National Defence Act*.

to the development of new areas of co-operation and information sharing, including peacekeeping training and logistics policy. In addition, DND continued to enhance bilateral relations with Japan with an eye to developing future interoperability in select areas like search and rescue and disaster relief.

DND participated in the UN Conference on the Proliferation of Illegal Small Arms and Light Weapons (SALW) in support of the Department of Foreign Affairs and International Trade. The conference developed a program of action (PA) that aims to control the trade in SALW and arrest the illegal trade. The main thrust of the PA that applies to DND concerns the security and storage of SALW and the disposal of any surplus. Compliant policy on these issues commenced during the fiscal year.

DND also continued to explore the creation of new strategic partnerships. Efforts for the fiscal year involved the Canadian Council of Chief Executives and the Forum for Young Canadians with a view to improving DND's relationships with the business community and youth. These organizations expressed interest in including security and defence issues in their future programming.

During the fiscal year, DND administered two grant programs, the Security and Defence Forum (SDF) Program (granted $1.961 million) and the Conference of Defence Associations (granted $75,000). These two grants have also had Results-based Management and Accountability Frameworks (RMAF) implemented. The SDF Program organized two key events: the first ever SDF briefing tour to Washington, D.C., which gave academics and stakeholder participants first-hand exposure to a range of perspectives on the new U.S. administration's defence and security policies; and a workshop on missile defence that brought together academics, American officials, and representatives from DND, the Department of Foreign Affairs and International Trade, and the Privy Council Office to discuss the missile-defence programs and technologies being considered by the United States.

The Military Training Assistance Program (resourced with $3.9 million) provided training to more than 700 foreign students (70 percent being from Partnership for Peace countries) on a wide-ranging array of Canadian Forces courses—principally consisting of language and peacekeeping training.

DND also provided a grant of $24,056 to the Federation of Military and United Services Institutes of Canada during fiscal year 2001–02.

For more information on defence policy, security arrangements, and RMAFs, see www.forces.gc.ca/admpol/.

Governance and Management

Resource Management

Detailed information on resource management is found in "Part V — Financial and Human Resource Reporting" on page 60.

Risk Management

The management of risk is done every day at DND. This year, DND introduced a more formalized approach to risk management at the departmental level to identify business risks,

assess the potential impact and likelihood of business risks, and mitigate them over time. Risk is monitored through a quarterly reporting process so that progressive adjustments can be made on a regular basis, if and as required.

Human-Resources Management

Military

DND is committed to providing effective and efficient military human-resources (HR) management. During the fiscal year, DND:

- developed a Long-Term Capability Plan to provide an investment strategy for military HR management over the next five to 15 years;

- created a Human Resource Advisory Board that will provide a forum for discussion of HR issues with external civilian HR experts;

- enhanced HR expertise and understanding by implementing an orientation course, a management course, and certification courses;

- completed an organizational and structural review of military HR and developed options to enhance organizational efficiency;

- converted the Queen's Regulations and Orders governing compensation and benefits to streamline administration of administrative changes; and

- implemented an alternate dispute-resolution program to prevent workplace conflict through awareness and training to resolve disputes early and at the lowest possible level.

However, other work that began during the fiscal year will require additional time for completion, including:

- the development of an implementation plan for HR benchmarks;

- the continuation of data analysis of a survey to assess core competencies for military HR positions;

- the development of a strategic military HR planning process;

- the continuation of new workforce modelling tools and methodologies; and

- further implementation of the Capabilities Initiatives Database.

Civilian

Several advancements were made in civilian HR management.

The *Civilian Employment Guide to Work-Force Adjustment* was promulgated to civilian personnel and the Staff Relations module of the Human Resources Management System (PeopleSoft) was implemented within established time frames. Progress was also made on training tools, including drafting a learning and professional-development strategic framework and revising the joint military–civilian policy on professional development.

In addition, DND introduced a Staff Relations module of the Human Resource Management System and implemented a national Labour Management Consultation training program for field

management and unions. The program is now a model for a Public Service-wide joint training initiative between Treasury Board and the Public Service Alliance of Canada. Finally, DND trained 18 new Employee Assistance Program (EAP) referral agents, and EAP agents collectively dealt with 1,737 visits from employees over the year.

Official Languages

DND conducted an Official Languages review to identify issue-areas where action is required to better align HR management practices with Official Languages legislation. DND also continued to review how the bilingual officer corps policy is managed and applied within the *Official Languages Act* framework. This review included examining the governance framework of CF second-language training.

Realty Asset and Housing Management

During 2001–02, a draft of the Realty Asset Management Manual was created to replace the Canadian Forces Construction Engineering Manual and the first Infrastructure and Environment Functional Plan was published. Progress on the Realty Asset Planning Strategy, formerly known as the Realty Asset Strategic Plan, was ongoing. The Infrastructure and Environment Senior Management Review Committee, designed to review and consider realty-asset and environment-management matters, was also established. Finally, work was completed at four of the remaining 18 active sites in the Base Closure Program.

Achievements were also made in housing management. A revised rent policy for houses (aligned with Treasury Board's Living Accommodation Charges Directive) was implemented, and a Housing Requirements Study was completed. The results are being used to determine the proper mix of CF housing required in areas that the private sector cannot support.

Environmental Stewardship

For more information on implementing the Sustainable Development Strategy, as well as specifics on storage tanks for 2001–02, see "Part IV: Consolidated Reporting" on page 58.

Materiel Management, Procurement, and Contracting

See "Part IV: Consolidated Reporting," on page 58.

Audit and Evaluation

A number of initiatives were undertaken to implement the new Treasury Board (TB) audit-and-evaluation policies. They include:

- developing new audit-and-evaluation product lines to ensure that expectations and standards are understood relative to audit/evaluation outputs and new government policies, and formulating criteria to support the selection of appropriate products within the new assurance responsibilities of auditors;

- championing and co-authoring a TB Secretariat-sponsored study, entitled *Internal Audit Planning Perspectives: Risks Facing the Delivery of Results for Canadians,* designed to recognize the convergence of risks facing public institutions and to encourage a horizontal view across government (this risk analysis was then customized within DND and used to assist the identification of a perspective on DND's risk landscape; audit and evaluation plans

were mapped to these risks, as well as to the capabilities and stated priorities of National Defence—to see the work plan for fiscal years 2001–02 and 2002–03, see www.vcds.forces.gc.ca/dgsp/dfppc/pubs/dpr/intro_e.htm); and

- formulating a practical perspective on the assurance function for audit engagements, and developing criteria to select appropriate products for application in specific circumstances.

DND completed numerous audits and evaluations. For details, see the Web site at www.forces.gc.ca/crs/home/reports/products_e.htm.

The Office of the Auditor General (OAG) and the Commissioner of the Environment issued several reports that involved DND in some capacity. For details, see www.oag-bvg.gc.ca. All departmental submissions in response to reports issued by the OAG met their prescribed deadlines. These included:

- Alternative Service Delivery Follow-Up
- Climate Change and Energy Efficiency: A Progress Report
- Contracting Follow-Up
- Departmental Performance Reports: Is the System Working?
- Financial Information Strategy
- Hazardous Materials Follow-Up
- Management of In-Service Equipment
- Proper Conduct of Public Business Follow-Up
- Sustainable Development Management Systems

Access to Information and Privacy

The percentage of *Access to Information Act* cases completed within allowable time frames increased from 36 percent in fiscal year 1998–99 to 88 percent in fiscal year 2001–02, despite a 30-percent increase in requests. The number of *Privacy Act* requests responded to within time frames increased from 16 percent to 86 percent over the same period, although requests dropped by half. For more information on access to information and privacy, including the National Defence Annual Report to Parliament, visit www.forces.gc.ca/admfincs/ati/intro_e.asp.

Safety

General Safety

General safety includes departmental and CF occupational safety, civilian employee occupational health, and civilian employee return-to-work programs. The *National Defence General Safety Annual Report* can be found on the Internet at the following address: www.vcds.forces.gc.ca/dsafeg/programdocuments/intro_e.asp.

Nuclear Safety

Progress was made in several areas of nuclear safety at DND, including: the implementation of a nuclear safety self-regulatory regime (as a result of the exclusion order granted by Governor-in-

Council in accordance with section 2 of the *Nuclear Safety and Control Act*); the establishment of the Nuclear and Ionizing Radiation Safety Co-ordinating Committee; the continuation of work with the Canadian Nuclear Safety Commission to ensure consistency with respect to the application of nuclear safety regulatory requirements; and progress towards an audit-based compliance approach on the review and development of nuclear/ionizing radiation safety programs. Inspection statistics show a significant improvement in compliance, from about 45 percent in 2000 to more than 70 percent at the end of March 2002.

Military Police Services

In 2001–02, in direct response to the Report of the Military Police Services Group, the Military Police introduced a state-of-the-art, commercial police information management system to greatly enhance "real-time" information sharing among all military police elements, both at home and abroad. Authority for selection, recruiting, and training standards was formally transferred to the Canadian Forces Provost Marshal, and professional development opportunities were also significantly increased, including additional post-secondary education opportunities and secondments or exchanges with civilian law-enforcement organizations.

Reflecting Canadian Values and Expectations

Defence Ethics Program

The Defence Ethics Program (DEP) is evolving toward becoming an integrated and comprehensive program. Ethics accountability in the CF has been reinforced by the inclusion of values and ethics criteria in the CF Personal Appraisal System. Plans are being developed for a similar accountability framework for DND's civilian employees. A performance measurement framework linked to the DND/CF baseline survey and various DEP implementation plans was developed as a tool for monitoring and reporting on key aspects of DEP performance in core areas. In support of Treasury Board policy on the disclosure of wrongdoing in the workplace, departmental policies and guidelines have been disseminated, and a disclosure office and information services have been established. For more information on DEP, see www.forces.gc.ca/crs/ethics/index_e.htm.

Military History and Heritage

DND, in fulfilling its role as a national institution, had several accomplishments reflecting and reaffirming Canadian values and expectations. Publications for 2001–02 included Volumes 2 and 4 of *Insignia and Lineages of the Canadian Forces* and amended CF manuals (Drill and Dress). Ongoing work includes the official history of the Royal Canadian Navy, commemorative volumes on women in the CF and the Korean War, and a handbook on *Operation ECLIPSE*. A rationalization study was completed to identify shortcomings of museums, and to recognize museums that have done outstanding work. Funding in the amount of $300,000 was allocated to support 62 military museums on bases across Canada, and a memorandum of understanding was signed with the Canadian Conservation Institute (CCI), which resulted in the inspection of 20 CF museums by the CCI.

Public Information

Throughout the fiscal year, DND focused on delivering both internal and external communications. Accomplishments included:

- introducing the Canadian Forces Parliamentary Program, enhancing its combat-imagery program, and actively working to engage media, defence academics, and stakeholders in visits and tours of CF bases and operations to improve and support external communications;

- revamping several Internet sites, including the Navy and Air Force sites, adding a site for *Operation APOLLO*, and introducing the "Write to the Troops" feature on DND's national Internet site; and

- making special efforts to reach out to young Canadians, and developing programs for high-school and university students involving Internet chat rooms, seminars, and guest speakers.

Risks and Challenges

DND is currently facing a number of challenges related to corporate policy and strategy. The United States' homeland-defence agenda, missile defence, and the use of space could all potentially present Canada with significant bilateral issues with the United States. On the issue of modern management, ongoing challenges remain in the areas of communications, the development of core modern-management competencies, enhanced integration and co-ordination (both within and outside the organization), increased formalization of risk management, further development and sustainability of performance measurement, and the integration of information systems. Addressing these challenges will improve defence capability, ensuring greater accountability in the stewardship of public funds, and provide more accurate and timely communication with Canadians.

Strategic Priorities

During fiscal 2001–2002, in addition to performing its core tasks and responding to the events of September 11, 2001, DND continued to make substantial progress on the following key corporate priorities:

- contribute to national priorities;

- put people first;

- optimize the force structure;

- modernize management; and

- foster Canada's defence relationships.

Contributing to National Priorities

During 2001–02, DND made valuable contributions to the Government of Canada priorities listed in the 2001 Speech from the Throne. These priorities include:

- fostering research and development;

- promoting safer communities and protecting critical infrastructure;

- supporting children and families;

- protecting the environment; and

- connecting Canadians to the digital economy.

DND has also continued to create and share opportunities globally by participating in international peace and security operations and in the development of the United Nations rapid-reaction initiatives.

Fostering Research and Development

DND makes vital contributions to the Government's efforts to foster research and development (R&D) in Canada, and to help brand the country as the most innovative in the world. In 2000, DND restructured its R&D to form an agency called Defence R&D Canada (DRDC), which supports the R&D needs of the Canadian Forces, and contributes to the Government's R&D agenda.

DRDC has worked with federal partners to develop new models such as the Federal Innovation Networks of Excellence (FINE) for delivering science and technology in Canada. The Chemical, Biological, Radiological, Nuclear (CBRN) Research and Technology Initiative model that DRDC is now leading to respond to the CBRN terrorist threat is a working example of new ways of collaborating in R&D. The CBRN research and technology initiative, which has a budget of $170 million over five years, will improve Canada's ability to respond to CBRN incidents by closing gaps in science-and-technology capability and capacity. The approach will be interdepartmental, and will be part of a greater federal response network.

Promoting Safer Communities and Protecting Critical Infrastructure

In the past year, DND has made significant progress in promoting safer communities, dealing with asymmetric threats, and protecting Canada's critical infrastructure. Most notably, the Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) began operations on February 12, 2001. For more information, see "Part III – Select Defence Portfolio Organizations" on page 37.

Accomplishments in 2001–02 include:

- producing consolidated rules of engagement;

- developing the CANALERTCON crisis response process;

- establishing a geospatial database to support operations in times of crisis with other government departments;

- expanding the capability of nuclear, biological, and chemical defence;

- expanding Joint Task Force Two;

- creating a project on national military-support capability to generate a deployable operational-level joint support group; and

- creating an asymmetric warfare intelligence cell.

Supporting Children and Families

DND is committed to enhancing the quality of life of military members and their families. DND has undertaken to establish a Military Family Services Program that provides programs and services to military families at locations in Canada and in Europe where CF members are serving. To provide a voice to military families, DND has established the Military Family National Advisory Board. This Board is co-chaired by a senior military officer and a spouse and its membership includes both military members and spouses of military members. Existing policies are reviewed regularly to ensure they meet the needs of the military family. New policies are developed to respond to issues and anomalies in the current system.

Protecting the Environment

DND is committed to ensuring that its activities and CF operations are conducted in an environmentally sustainable manner. As one of the Government's largest landholders, DND has been working for years to minimize the impact of its activities and operations on the environment.

In line with this principle, DND created the Corporate Environmental Program (CEP) to address environmental pressures on orphan/legacy properties, and to conduct projects on select active sites. Under CEP, nearly $25.8 million was made available to address human health, non-compliance with legislation, risk to the environment, non-compliance with government policies, and restoration or enhancement of the environment. About 90 percent of the funds were allocated to the top three priorities: contaminated sites, hazardous-materials management, and the Effluent Assessment Initiative.

In addition, DND continued its work on the evolution of the environmental-management (EM) system and developed an EM policy. Work to complete the hazardous-materials inventory has also been ongoing, and shipboard portfolios that include an inventory of hazardous materials have been completed for each class of ship in the CF.

Connecting Canadians to the Digital Economy

DND continues to support the Government On-Line initiative. To help deliver key DND services on-line securely by 2005, and to update on-line information resources, DND made progress in several areas, including:

- improving Internet access for all 50,000-plus DND users;

- supporting the ongoing deployment of secure-access technology (Public Key Infrastructure, or PKI);

- including on-line service delivery in business planning and business transformation by identifying six key service areas that can take advantage of on-line service delivery (communications, critical-infrastructure protection, emergency management, CF recruiting, materiel acquisition and support, and information-technology security); and

- making appropriate contacts with other government departments on an ongoing basis to establish partnerships for electronic service delivery; including recruiting with Human Resources Development Canada.

Putting People First

CF members and DND employees are the Defence institution's most important asset. They are the people who do the work, delivering the National Defence mandate, mission, and priorities. For this reason, senior leaders are putting people first.

As part of these efforts, DND moved forward to:

- enhance recruiting;

- implement the Rx2000 program of reforms to CF health-care services;

- modernize leadership development and human-resources management;

- encourage employment equity and diversity;

- improve internal communications; and

- continue the implementation of CF quality-of-life initiatives.

Recruiting

Recruiting CF members is still a significant challenge that is affected by many factors, including the steady growth of the Canadian economy and the consequent drop in unemployment and increased competition for the services of young, skilled Canadians. As part of a strategy to make the CF a career of choice, DND introduced a three-year recruiting campaign to boost enrolment, and the CF streamlined the recruiting process and improved recruit training.

DND's new print and video advertising campaign, entitled "Strong. Proud. Today's Canadian Forces," is designed primarily to attract recruits for the Regular Force. It also emphasizes recruitment for the Navy Reserve and the Army Reserve, which both need to increase their recruitment and retention rates. DND has also phased in target-specific advertising promoting the enrolment bonuses offered to eligible Canadians with high-demand skills and qualifications, especially engineers and physicians.

So far, the recruiting campaign is succeeding. As of March 31, 2002, the CF had enrolled 11,117 recruits, 5,404 in the Regular Force and 5,713 in the Reserve Force. The target for the first year of the three-year campaign was to enrol 10,000 recruits.

To deal with the sudden increase in the flow of recruits, the CF opened two temporary schools and expanded its capacity for basic recruit training at the Canadian Forces Leadership and Recruit School in St-Jean-sur-Richelieu, Quebec. In 2004, when the three-year recruiting push ends, the temporary schools will close and the CF Leadership and Recruit School will be able to handle the normal intake of recruits. Infrastructure modifications at the CF Leadership and Recruit School are under way, and should be completed by late 2002.

The CF also made significant modifications to the enrolment process to reduce processing time without compromising selection standards. The CF recruiting process now takes two months, on average, and the goal is to reduce processing time to 21 days.

DND/CF outreach activities also target employment-equity groups (i.e., women, Aboriginal people, and members of visible-minority groups) for recruitment.

Health-Services Reform

In accordance with the *National Defence Act*, DND must provide CF members with whatever health care they may need, both at home and abroad. In 2000, DND launched Rx2000, an umbrella program of health-services reform initiatives designed to ensure not only that CF members receive the best care possible, but also to make CF health services more efficient. Progress on Rx2000 initiatives during fiscal year 2001–02 included the following activities:

- efforts to establish a national standard for military health services across Canada, such as:
  - ➢ the launch of a major accreditation process for CF medical facilities and standards, and
  - ➢ the drafting of a Military Health Care Document based on the accreditation standards and format of the Canadian Council on Health Services;

- the launch of a reorganization of the medical materiel-management system to make it more efficient and cost-effective, a task that includes revising the medical-equipment structure, and reforming acquisition processes and procedures;

- modernizing CF medical policies through continuous review and revision;

- placing the Health Service Reserve under the command of the Director General Health Services; and

- establishing standards of medical care for deployed CF members that are comparable to the standards applied to the care that most Canadians receive.

Leadership Development and Human-Resources Management

An important achievement was made in enhancing the integration of CF human resources into the DND strategic planning process. *Facing the People Challenges of the Future—Human Resources 2020* (HR 2020), the companion document to *Shaping the Future of the Canadian Forces: A Strategy for 2020* (Strategy 2020), identifies human-resources objectives, links planning across time frames and, most importantly, lays the foundation for a human-resources management strategy to deal with the opportunities and the challenges ahead. HR 2020 reflects Canadian and military values and human-resources principles, and articulates the strategies that will ensure our people can make their very best contributions to the Defence mission.

DND and the CF are continuing to implement the recommendations of *Canadian Officership in the 21st Century: Strategic Guidance for the Officer Corps and the Officer Professional Development System*, the new blueprint for enhanced leadership and professional development of the officer corps in both the Regular Force and the Reserve Force, and has published a strategic vision for officers, entitled Officership 2020. Progress has also been made on the parallel strategy for non-commissioned members to guide their training, education, and professional development; during 2001–02, the strategic vision entitled NCM Corps 2020 was developed as a companion to Officership 2020. As a first step, DND has increased the career limit of reimbursement for personal professional development to $20,000.

On April 1, 2002, the Canadian Defence Academy was formed to champion lifelong learning for commissioned officers and non-commissioned members within the framework of the CF Professional Development Systems. Comprising the Royal Military College of Canada, the Canadian Forces Staff College, and the Canadian Forces Leadership Institute, the Canadian

Defence Academy adds academic rigour to CF professional military education, increases the opportunities open to CF personnel to develop their intellectual potential, and ensures coherence and integration in CF professional-development processes.

DND has also continued its move toward competency-based management of its civilian workforce by developing a competency-based management framework. Under development is a competency-based leadership curriculum and supporting compendium. DND has also begun to integrate applications such as the performance-management agreement process, which is used by both civilian and military executives, into its competency-based management approach.

Employment Equity and Diversity

DND continues to support the Defence Advisory Groups (DAGs) for CF members and DND employees who belong to the four designated employment-equity groups: women, Aboriginal people, members of visible-minority groups, and people with disabilities. The DAGs provide employment-equity advice and support, thereby assisting DND and the CF in identifying and removing systemic barriers to employment. In 2001–02, a council on Diversity and Employment Equity in Defence was formed to administer and co-ordinate employment-equity matters. In addition, the Defence Advisory Group Secretariat received authority to expand its staff.

During fiscal 2001–02, the CF conducted a human-rights review to identify issue-areas where action is required to improve the alignment of human-resources management practices with human-rights legislation. It will use the Human Rights Plan to record and track corrective action needed on policies, instructions, and procedures that give rise to concerns about compliance with the *Canadian Charter of Rights and Freedoms* or the *Canadian Human Rights Act*.

DND has also implemented several special programs for disabled CF members. The Service Income Security Insurance Plan and Long-Term Disability Program now offers all eligible medically released CF members a 75-percent salary top-up and pays for retraining for up to 24 months after their release date. If a medically released veteran were found to be totally disabled at any time during this 24-month period, his or her long-term disability benefits would continue to age 65. DND has received delegated authority from the Public Service Commission of Canada to hire without competition any CF veteran who has been medically released as a result of an injury received on duty under special circumstances. Also, the CF has a Transition Assistance Program to assist all medically released disabled CF veterans through the transition to civilian life.

Internal Communications

During 2001–02, DND conducted a review of internal communications to identify ways to improve its use of internal-communications resources and practices to support corporate priorities and objectives. Among its key findings, the review found that CF members and DND employees relied too heavily on indirect, paper-based communications, and did not use face-to-face communications sufficiently. The review also uncovered a growing need for improved co-ordination and consistency in DND/CF internal-communications efforts, and confirmed that internal communications must be:

- championed by senior leaders;
- reinforced by leaders at all levels; and
- supported by Public Affairs professionals throughout DND and the CF.

As a first step in addressing these findings, DND is assembling an Internal Communications Working Group and creating a small internal-communications support team. This team will serve as a centre of excellence for internal communications, with a mandate to advise and support CF leaders on ways to improve their internal-communications practices.

Quality-Of-Life Initiatives for the Canadian Forces

In the 2001–02 *Report on Plans and Priorities*, DND committed to continue implementing the CF quality-of-life recommendations set out in the report of the Standing Committee on National Defence and Veterans Affairs (SCONDVA). Having acted on 13 of those recommendations during this fiscal year, DND has so far implemented 68 of the 89 recommendations contained in the SCONDVA report.

To maintain the momentum on quality-of-life issues, a Directorate of Quality of Life was formed in September 2001, to perform the following functions:

- continue implementing the SCONDVA quality-of-life recommendations;

- resolve issues related to implementing the recommendations; and

- identify and resolve new and emerging quality-of-life issues.

Efforts in fiscal year 2001–02 to address the remaining SCONDVA recommendations included:

- developing a new definition of a "special duty area" to reflect the nature of contemporary military operations;

- providing case managers and transition co-ordinators to help CF members make the transition from military to civilian life;

- redesigning benefits and services for CF veterans;

- continuing analysis of the effects of an accelerating operational tempo on CF members and their families;

- developing an equitable pension plan for members of the Reserve Force;

- creating a universal CF pay system that covers both the Regular Force and the Reserve Force;

- continuing to study the roles, responsibilities, and funding of the Canadian Forces Housing Agency; and

- establishing the Environmental Allowances Review Project.

Optimizing the Force Structure

DND and the CF continue to face significant challenges in preparing the CF for the future. The world is changing and modern military operations are more complex, demanding, and dangerous than ever before. Technological advances continue to produce more sophisticated, potent armaments and new ways to conduct warfare. The events of September 11 clearly demonstrated that Canada faces new potential asymmetric threats to its security and critical infrastructure.

To address these issues, *Strategy 2020* was developed in 1999 to help define the way ahead and guide business planning. Since then, DND and the CF have moved forward with specific force-

modernization priorities to ensure that the command and control structure can effectively focus time, energy, and resources on the most relevant tasks in the future. Optimizing Canada's military force structure, in accordance with government policy and direction, involves strengthening the CF's ability to sustain operations, increasing capital investment, and proceeding with ongoing and announced procurement projects.

Modernizing the Force Structure

DND and the CF have continued to make progress on initiatives to modernize the CF force structure to position the CF better for the future. Current initiatives include:

- developing options to enhance deployability, including strategic lift;

- proceeding with the design of the "Army of Tomorrow";

- making progress on the first phase of the Land Force Reserve Restructuring strategic plan; and

- beginning to conduct a Military Occupational Structure Analysis, Redesign and Tailoring (MOSART) project.

The CF has also made progress in implementing the first phase of the Land Force Reserve Restructuring project. It met its target of 15,000 Army Reservists, and embedded recruiting strategies in the Strategic Intake Plan to meet the fiscal year 2002–03 target of 15,500 Army Reservists.

The current Army has a general-purpose structure designed for the kind of warfare expected in central Europe during the Cold War. To prepare for future conflict, DND and the CF have developed an interim model to serve as the transition organization between today's Army and the "Army of Tomorrow." This interim model provides direction for staffing initiatives, and transfers resources to help build new capabilities.

To assess occupational policy and groupings, confirm core personnel requirements, maximize career flexibilities, and improve the alignment of occupational standards with future force-structure requirements, DND and the CF are moving forward with the MOSART project. In 2001–02, the option-analysis portion of the project was completed, and staff are now defining and reviewing the methodology and procedures for the military occupation analysis.

Sustainability and the Environmental Commands

In many ways, the core pressures and challenges the CF faces are seen most clearly in the Environmental Commands—the Navy, the Army, and the Air Force. The reason for this is straightforward. Collectively, the Commands represent the bulk of CF operational forces, and are responsible for training and generating forces, and maintaining capital-intensive equipment. They also support operations as required. Therefore, they feel the most pressure from the high operational tempo, fiscal constraints, and new military realities.

In 2001–02, the Navy met all its operational commitments, but it is currently facing many challenges, including high and accelerating operational tempo, with more frequent and longer deployments (especially on *Operation APOLLO*), as well as significant personnel shortages, especially in key technical and operator trades.

The Army met all its operational commitments in 2001–02, but at a cost of a heavy drain on personnel and equipment that created challenges in several areas, including command and control, recruitment and retention, collective training, infrastructure, firepower, intelligence and reconnaissance, and morale.

The Air Force met all its operational commitments in 2001–02, but it, too, now faces many challenges, including a lack of trained and experienced personnel, sustainability, capability gaps, insufficient emphasis on maintaining up-to-date doctrine, and limited opportunities for the operational development of potential leaders.

Modern Management in Defence

Like all public institutions, DND has a responsibility to meet the highest standards in the management and administration of public funds. To adopt a comprehensive approach to planning, management, and comptrollership, and to continue to modernize its management practices, DND has launched the Modern Management Initiative.

Modern management builds on several existing initiatives, and on broader government-wide efforts to modernize management in the federal Public Service. The Modern Management Initiative is based on a simple premise: good management flows from good decision-making, which flows from integrated systems that bring together an organization's people, information, accountabilities, and values in a coherent manner.

Modern Comptrollership

DND has made significant progress in its efforts to implement modern comptrollership, recently completing Phase II of the government's Financial Information Strategy (FIS). Phase II involves monthly reporting of DND assets and liabilities to Public Works and Government Services Canada, preparing accounting policies in line with Treasury Board direction and generally accepted accounting principles, and training more than 8,000 people in aspects of FIS and accrual-accounting methods.

DND also continued to develop and implement the Modern Comptrollership Initiative as part of the departmental Modern Management action plan. In 2001–02, in addition to FIS, DND made progress on three other Modern Comptrollership initiatives:

- revitalizing comptroller roles and responsibilities to standardize change/renewal activities across all levels of DND;

- continuing to refine resource manager training; and

- implementing the co-ordination of career management of civilian finance officers.

For more information on Modern Comptrollership, visit the following Internet site: www.forces.gc.ca/admfincs/subjects/comptrollership/intro_e.asp.

Implementing an Information Management Strategy

The Information Management (IM) Strategy assists in creating a shared understanding of the future requirements for IM support to DND, and provides the IM vision, objectives, and short-term (three-year) targets to guide deployment of IM capability into the 21st century. Implementation of the IM Strategy can only be achieved through co-ordinated actions throughout DND. Recognizing the importance of IM to the operations of DND, the Information Management Strategy Review was launched in June 2001. The review covered the following IM-related areas: processes, policies, resources, service delivery, distribution of responsibilities, and governance. The review assessed the current IM program structure and performance, and developed conclusions and recommendations to improve alignment with DND corporate and strategic objectives, plans, and frameworks. The review was completed, with management conclusions and recommendations expected to be released in fiscal year 2002–03.

Fostering Canada's Defence Relationships

To ensure that the CF remains interoperable with Canada's principal military allies and able to contribute to coalition operations, DND continues to:

- strengthen its defence relationship with U.S. forces;

- foster transatlantic co-operation and support military co-operation within NATO; and

- identify technologies and doctrine related to the revolution in military affairs (RMA) to advance the interoperability of the CF and to support the Government's broader research-and-development priorities.

Strengthening the Canada–United States Defence Relationship

There are unique reasons to continue strengthening Canada's defence relationship with the United States:

- Canada and the United States share defence of the continent through NORAD, as well as a wide range of related defence and security concerns that require enhanced co-operation, particularly with respect to defence against asymmetric threats and the protection of critical North American infrastructure.

- the United States is the world's only superpower, and will remain so for the foreseeable future; and,

- the United States is leading the revolution in military affairs—by remaining interoperable with U.S. forces, Canada will remain interoperable with any major, future coalition force led by the United States.

The strength of this relationship has most notably been demonstrated by Canada's participation in the ongoing campaign against terrorism. Additionally, Canada's interest in the establishment of a U.S. Homeland Defence Command and its bi-national contribution to our mutual national security has great potential for strengthening co-operation in this area of crucial importance.

Defence continues to work with the United States to identify areas of co-operation for defending against asymmetric threats and protecting critical North American infrastructure. Key accomplishments include:

- creating the National Defence Command Centre;

- initiating Canadian–U.S. collaborative research-and-development projects;

- exploring U.S. initiatives in homeland security counter-terrorism and critical-infrastructure protection; and

- studying the U.S. experience in developing the chemical, biological, and nuclear research technology initiative.

Canada and the United States are also demonstrating the strength of this relationship by:

- exploring practical and effective ways to strengthen co-operation on continental security following September 11;

- participating in the development of the Joint Strike Fighter; and

- developing geospatial and imagery-response capabilities to defend North America.

In addition, DND is monitoring the U.S. armed forces' transformation agenda to identify opportunities to improve interoperability with U.S. forces.

DND has also moved forward in collaboration with the United States on the Military Satellite Communications (MILSATCOM) project to strengthen C^4I (command, control, communications, computer, and intelligence) support available to deployed Canadian Forces personnel. In addition, Defence continued to participate in the Canada–U.S. Space Co-operation Working Group. The United States has agreed with the aim, scope, principles, and goals proposed by Canada on the need for a space co-operation agreement.

DND continued research and consultations bilaterally and within NATO on the U.S. ballistic missile defence system. This research was conducted while taking account of:

- Canada–U.S. defence co-operation in NORAD;

- U.S. missile defence co-operation with NATO allies;

- U.S. withdrawal from the Anti-Ballistic Missile Treaty;

- U.S.–Russia negotiations of a "new Strategic Framework";

- the broader implications of ballistic missile defence for international security and stability; and

- technological evolution of the system.

DND has also continued to work on a comprehensive program to develop and adopt new doctrine and equipment, and to expand joint and combined Canada–U.S. exercises and training.

Nurturing Military Co-operation in NATO

To support military co-operation within NATO, DND continues to participate in the NATO Precautionary System Working Group and the NATO Crisis Response System Working Group. DND also continues to liaise with the NATO Permanent Joint Headquarters based in the United

Kingdom. In addition, significant progress has been made to enhance NATO interoperability by participating in the NATO Defence Capabilities Initiative, as demonstrated by:

- program advancements in precision-guided munitions and upgrades to the CF-18 fighters;

- air-to-air refuelling capability for the A310 Airbus aircraft;

- program developments in nuclear, biological, and chemical detection;

- improvements to NATO satellite communications; and

- enhancements to NATO's command-and-control interoperability.

Technology, the Revolution in Military Affairs, and Interoperability

A key driver shaping future thinking is the rapid pace of technological change, and the resulting revolution in military affairs (RMA). Progress in information technologies is creating powerful new ways to enhance operational and institutional effectiveness. This technological progress requires significant investment and imposes difficult new managerial challenges. DND has made significant strides in this area in the past year, and it will continue to implement new measures to rationalize how it manages information and applies information technology.

The updated Technology Investment Strategy of Defence R&D Canada (DRDC) outlines the research-and-development activities required to develop the capacity for future defence and national security. DND has refined its research objectives for modelling and simulation, information and knowledge management, and autonomous intelligent systems. DND is also emphasizing research in chemical, biological, and radiological defence, weapons countermeasures, and network information operations to help in responding to terrorist threats.

DND has continued to explore opportunities to work with Canadian and international partners to field new technologies under the Technology Demonstration Program. Six new projects were initiated last year—three of them are collaborations with international partners:

- Unmanned Airborne Surveillance (U.S. Air Force)

- Soldier-integrated Headwear System (NATO)

- Force Protection Against Enhanced Blast (United Kingdom)

- Integrated Communications Electronic Warfare Analysis and Radio Frequency Sensors

- Multi-Sensor Integration with the Common Operating Environment

- Advanced Satellite Communications Terminal

A new Canadian Forces Experimentation Centre (CFEC) has also been established to introduce new capabilities to the Canadian Forces more quickly. CFEC is a direct outcome of DND's recent efforts to improve the way it develops its forces by using the concept-development and experimentation approach that many of Canada's allies are pursuing. DRDC is also building a new counter-terrorism technology centre at DRDC Suffield, and is developing technology to neutralize land mines using high-powered microwaves.

Performance Summary

Despite mounting pressures on the defence program, DND delivered on its mission over the past fiscal year. The men and women of the Department of National Defence and the Canadian Forces delivered on core tasks. They rose to the challenge of September 11, and they continued to make progress on corporate priorities.

Indeed, DND has made enormous progress over the past few years in its efforts to improve CF quality of life and health care, to strengthen recruiting, training, and professional development of military members and civilians, and to lay the groundwork for transforming the CF and position the institution for the future.

It is increasingly clear, however, that the current defence program is unsustainable. While the key tenets of Canada's defence policy remain sound, Canada's defence program must be updated to reflect fiscal realities and the emergence of new defence threats and challenges.

At the same time, DND—with the support of the Government—must continue its efforts to manage the operational burden placed on the men and women of the CF. What is required is the ability to sustain some commitments, while ensuring DND has the capacity to surge in response to unforeseen events and crises, while respecting the need to give the men and women of the CF time to rest and train between deployments.

Addressing these cumulative pressures will not be easy—tough decisions need to be made. It is a challenge that DND accepts and will work tirelessly to resolve.

Part III: Selected Defence Portfolio Organizations

Office of Critical Infrastructure Protection and Emergency Preparedness

Mandate

The Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) provides national leadership in critical-infrastructure protection and ensures Canada's readiness to manage emergencies in an environment of increasing risk—whether from natural disasters, possible technological failures, or threats to Canada's critical infrastructure dependent on information technology (IT). These risks could severely affect the health, safety, security, and economic well-being of Canadians. OCIPEP's mission is to enhance the safety and security of Canadians in both their physical environment and cyber-environment. Its vision is a safer, more secure Canada.

Operating as a civilian organization within the DND portfolio, the Office supports the Minister of National Defence, who is the lead Minister for emergency preparedness and critical-infrastructure protection at the federal level. The framework in which OCIPEP delivers its program is derived from the *Emergency Preparedness Act* (1988), *A Federal Policy for Emergencies* (1995), and the *National Framework on Critical Infrastructure Protection and Effective Emergency Management*, which was approved by the Government of Canada in August 2001. The National Framework has five pillars:

1. putting the Government of Canada's critical-infrastructure "house" in order;

2. enhancing national operational capabilities;

3. building creative and sustainable federal, national, and international partnerships;

4. implementing effective, targeted programs (in areas such as awareness, training and education, and research and development); and

5. strengthening the policy framework on critical infrastructure protection and emergency management.

Within this national framework, OCIPEP is working to establish an effective national emergency-management system, to enhance the protection and survivability of critical infrastructure, and to reduce the possible loss of life and property resulting from major disasters, accidents, or intentional acts.

Results

Throughout 2001–02, the task and challenge were to build the new organization while at the same time co-ordinating the response to a range of events, including cyber-threats and terrorist attacks. Specific achievements included:

*   **Addressing requirements to put the Government of Canada's critical-infrastructure "house" in order** – OCIPEP maintained the renewed Government Emergency Operations Centre, which operates 24 hours a day, seven days a week, to monitor, report on, and co-ordinate the response to emergencies that could affect critical networks and information

systems and assets. The Office established a cyber-security capacity and issued alerts, advisories, and other information and advice to federal departments and critical-infrastructure partners on both physical threats and cyber-threats. The Office also contributed to the development of a new Government Security Policy, and worked with the Treasury Board Secretariat on developing standards for business continuity planning and IT security.

- **Enhancing national operational capabilities** – OCIPEP, in conjunction with Solicitor General Canada, conducted a review of national counter-terrorism capabilities, and began working with various departments and agencies to enhance Canada's ability to respond to chemical, biological, radiological, or nuclear (CBRN) attacks and incidents by investing in research, training, and equipment. Following the Budget 2001 announcement that $59 million would be available over a six-year period to federal departments to design and deliver a CBRN training program for first responders, OCIPEP worked closely with Defence R&D Canada, the Canadian Nuclear Safety Commission, Health Canada, the Royal Canadian Mounted Police, and Solicitor General Canada to develop a CBRN training strategy and a preliminary allocation of funds. Similarly, OCIPEP commenced discussions with various federal departments on the appropriate allocation of the $190 million over a five-year period announced in Budget 2001 to support initiatives to protect critical infrastructure.

- **Developing and enhancing sustainable federal and national partnerships** – OCIPEP developed direct contacts with other levels of government, key critical-infrastructure sectors, and related federal departments, notably Finance Canada, Industry Canada, Transport Canada, and Natural Resources Canada. The Office began developing detailed frameworks with key federal partners, including Solicitor General Canada, the Royal Canadian Mounted Police, the Canadian Security Intelligence Service, and the Communications Security Establishment. In addition, OCIPEP supported the creation of a cross-sectoral forum among the banking, electricity, and telecommunications sectors, and developed the "OCIPEP Daily Brief" as a communications tool for sharing information with partners. Co-operation and information-sharing with partners is essential to developing a complete picture of mission-critical systems, networks, and other assets, and to advise on strategies and best practices to assure their protection. Internationally, OCIPEP worked with U.S. officials to develop a framework to implement the provision on critical-infrastructure protection in the Smart Border Declaration, which was signed in December 2001. The Office also enhanced operational linkages with key U.S. agencies such as the State Department and the Federal Emergency Management Agency, and advanced work at NATO on critical-infrastructure protection and civil-emergency planning and training.

- **Initiating program enhancements –** OCIPEP undertook a review of the Disaster Financial Assistance Arrangements (DFAA) to reflect the changing nature of disasters and the experience garnered since the DFAA was established 30 years ago. OCIPEP began developing the National Critical Infrastructure Assurance Program to ensure the survivability and continued functioning of infrastructure in six key sectors—energy and utilities; communications; transportation; safety; financial, food and health services; and government. The Office developed a new five-year training strategy with the provinces and territories, delivered CBRN training in nine major Canadian cities, and advanced various research-and-development initiatives related to CBRN scenarios and response capacity.

- **Enhancing the policy framework** – OCIPEP circulated discussion papers and launched consultations with stakeholders from federal, provincial, and territorial governments, as well as with not-for-profit organizations and the private and academic sectors, to support the development of a National Disaster Mitigation Strategy. The Office also began work on an information-sharing framework, developing a discussion paper and seeking input from stakeholders on the development of a strategy for sharing information with the private sector on critical-infrastructure protection.

Resources

To deliver its program in 2001–02, OCIPEP had a resource base of 173 FTEs, and incurred operating expenditures of $27.1 million, funded through baseline funding and special one-time funding to cover expenditures relating to the response to the events of September 11 and to manage cyber-threats and incidents arising from terrorist threats or actions. OCIPEP also administered grants and contributions, expending $4.7 million under the Joint Emergency Preparedness Program, as well as providing $1 million for Heavy Urban Search and Rescue (HUSAR) initiatives, and $3.5 million for CBRN first-responder equipment. Contributions under the Disaster Financial Assistance Arrangements (DFAA) totalled $165.9 million in fiscal year 2001–02.

For more information about OCIPEP, please visit www.ocipep-bciepc.gc.ca.

Reserve Forces, Canadian Cadet Program, and Junior Canadian Rangers Program

Reserve Forces

The Reserves are an essential component within the CF's mobilization-planning doctrine, and provide the depth and breadth needed to achieve the capabilities required in each stage of mobilization. The primary role of the Reserve Forces is to augment, sustain, and support deployed forces and, in some cases, perform tasks that are not performed by Regular Force members. Within the Total Force concept, both the Regular and Reserve Forces support the ongoing peacetime tasks and activities of the CF. The Reserve Force is composed of members who are enrolled for other than continuing, full-time military service. The subcomponents of the Reserve Force are the Primary Reserve, the Supplementary Reserve, the Cadet Instructors Cadre, and the Canadian Rangers.

Primary Reserve

The Primary Reserve is made up of the Naval Reserve, the Army Reserve, the Air Reserve, the Communication Reserve, the Health Services Reserve, and the National Defence Primary Reserve List. Members of the Primary Reserve frequently serve on operations, and about 10 percent of the CF personnel deployed overseas during fiscal 2001–02 were Reservists. The following table summarizes recent, current, and planned intake of recruits to the Primary Reserve.

PRIMARY RESERVE: SUMMARY OF RECRUITING INTAKE	
1999–2000 Actual	3,573
2000–2001 Actual	4,163
2001–2002 Forecast	***4,200***
2001–2002 Actual	***5,175***
2002–2003 Planned	4,400
2003–2004 Planned	4,600

Naval Reserve

The Naval Reserve mission is to provide the Navy with trained personnel to staff combat and support elements to meet Canada's naval defence objectives in peace, crisis, and war. Naval Reservists are responsible for the manning of maritime coastal defence vessels, naval control of shipping elements, port security and port inspection divers units, administrative and logistical support of the Naval Reserve Divisions, and community and public relations through maintaining a naval presence throughout Canada. Of all the Reserve elements, only the Naval Reserve is mandated to perform a full-time operational role through the manning of the maritime coastal defence vessels. Specific tasks associated with the aforementioned responsibilities include, but are not limited to: coastal surveillance, patrol, and mine countermeasure activities; security to ports and anchorages and their immediate approaches in times of crisis; and contingency capability to place merchant shipping under government control and, if necessary, to provide naval protection and guidance.

The Naval Reserve consists of 24 Naval Reserve Divisions located across Canada, as well as the Canadian Forces Fleet School in Quebec. The Naval Reserve's authorized manning level is 5,000 personnel, with a planning establishment of 5,446; however, funding is limited to 4,000. Currently, this is not an issue, since the overall strength is approximately 3,800.

This fiscal year, the Naval Reserve was directly involved in contingency and security operations following the events of September 11, 2001, particularly the contribution of HMCS *Cabot* in St. John's, Newfoundland. This unit accommodated more than 480 passengers from flights to the United States that were diverted and grounded at St. John's airport. More than 200 Naval Reservists from across the country continue to be employed on both coasts to enhance security. In addition, the National Band of the Naval Reserve and the Compagnie Franche de la Marine kept a busy schedule during summer 2001. These bands visited many Canadian cities and participated in numerous events across the country.

Army Reserve

The Army Reserve provides the capability to supply forces for the Army and national level units, when and as required. The fundamental roles of the Army Reserve are to provide a framework for mobilization, to augment and sustain the regular component of the Army, and to serve as a continuous link between the military and civilian communities. These roles are accomplished by

augmenting the Regular Force with trained individuals and trained units of varying sizes, as situations dictate. The 10 Canadian Brigade Groups of the Army Reserve span the entire breadth of the Land Force Command's geographic area. The Army Reserve has an effective strength of approximately 15,500 soldiers who work as part of some 135 units in 115 locations. Recruiting, training, and retention of personnel remain the greatest challenges facing the Army Reserve.

Phase I of the Land Force Reserve Restructure (LFRR) project continued to focus on stabilizing the Reserve program. Most of the Phase I objectives have been met, and many successes have been realized. A streamlined recruiting process was introduced and is being implemented. Personnel strength has grown, meeting the target for 2001–2002 of 15,000 Army Reservists. Phase I will conclude at the end of fiscal 2002–03.

Phase II is scheduled to commence in fiscal year 2003–04 and is contingent on funding availability. It would see an increase in the number of Army Reservists to a paid strength goal of approximately 18,500. With the establishment of the Project Management Office for LFRR, the development and implementation of the Strategic Plan for the Army Reserve took on a greater focus.

Phase II will cover a three-year period where the Army Reserve will continue to expand to its assumed critical mass of 18,500 soldiers. There will be a continued emphasis on sustaining current capability, as well as developing new capabilities such as civil–military co-operation; chemical, biological, radiological, and nuclear (CBRN) defence; information operations; and geomatics.

Army Reservists continue to provide individual augmentation to peacekeeping operations, with most Reserve personnel overseas (approximately 300 at any one time) supporting *Operation PALLADIUM*. Beginning in the fall of 2002, Army Reserve infantry companies will begin to augment the Battle Group in Bosnia for selected rotations. These formed Reserve subunits do not represent an increase in the total number of Reserve soldiers serving in Bosnia, but will mean that Reservists will fill every position within their own subunit structure.

Air Reserve

The Air Reserve provides support to the Air Force mission for ongoing peacetime tasks as well as deployed operations. In 2001–02, the Air Reserve grew by approximately four percent, reaching an overall strength of 2,216 personnel located in 25 locations across Canada. The Air Reserve continued to strive for expanded growth by implementing several new recruiting initiatives. To ensure this growth will be optimal to meet the future force structure needs of the Air Force, an Air Reserve Development Plan was created to govern and guide the Air Reserve over the next several years. During this fiscal year, a two-year trial program of flexible tour lengths for Operation PALLADIUM was initiated, resulting in Air Reserve personnel filling 10 percent of the assigned unit taskings. As well, the Air Reserve had 124 personnel deploy on 11 international operations, and an additional 245 Air Reservists backfilling Regular Force positions in place of deployed personnel.

Communication Reserve

From the 23 Communication Reserve units across Canada, the Communication Reserve provides the CF with combat-capable forces to manage information technology. The mission of the Communication Reserve is to provide individual and collective communication support to CF operations, both domestic and international, in accordance with assigned tasks.

The effective strength of the Communication Reserve remains at about 1,800 personnel. Although the Communication Reserve strength has remained stable overall, some units are significantly below their establishment. The most significant factor is the ability of the Communication Reserve to attract recruits. Recent experience appears to parallel the difficulties of the Regular Force in attracting recruits to Communications and Electronics trades. Having Communication Reservists available to fill full-time employment opportunities provides service to the undermanned Regular Force. However, at augmentation/replacement levels of 25 percent or more, difficulties arise at the unit level where there are now fewer experienced people available to meet unit training requirements and tasks.

The Communication Reserve Information Protection Teams (CRIPTs) initiative was expanded during this fiscal year. CRIPTs form the basis for increased Communication Reserve support to Canadian Forces Information Operations Group (CFIOG) in their information-protection role. 72 Communication Group continued to operate the pilot CRIPT project, with similar equipment delivered to the other Reserve Communication Groups. The other three Communication Groups are expected to develop an operational capability in fiscal year 2002–03.

Health Services Reserve

The Health Services Reserve is currently organized into 14 medical companies with 250 health-services personnel in Army non-medical units supporting 10 Reserve Brigade Groups. Approximately 60 health-services personnel are employed in Air Reserve Flights and about 75 health-services personnel are located on the Supplementary Reserve and the NDHQ/Canadian Forces Health Services Primary Reserve List. These personnel carry out day-to-day support and train for duties as directed by their Environmental Chief of Staff.

All health-services assets will be turned over to Director General Health Services on April 1, 2003. To address the move of these assets, a Reserve Health Services Concept Paper has been drafted. This document will address the requirements for health-services support throughout the stages of mobilization and across the spectrum of conflict. For the first time in more than 50 years, a Role 3 capability is proposed within the Reserves to accompany its Role 1 and 2 responsibilities. The interim vehicle to this capability is the Canadian Forces Health Services Primary Reserve List. The revitalized Health Services Reserve will be built to provide both supplementary and complimentary capabilities through its various units and personnel, thus providing both augmentation and sustainment capabilities in Roles 1 through 3.

PRIMARY RESERVE EXPENDITURES ($000)	
Type of Expenditure	Actual 2001–02
Reserve Pay	341,708
Regular Support Staff	111,807
Reserve Operating	58,729
Subtotal: Direct	**512,244**
Ammunition	19,652
Equipment Usage	63,235
Clothing	22,988
Facility Operating	37,405
Subtotal: Indirect	**143,280**
Base Support	122,067
Training	7,311
Subtotal: Attributed	**129,378**
Subtotal: Primary Reserve Operating	**784,902**
Dedicated Capital	6,595
Shared Capital	47,049
Subtotal: Capital	**53,644**
Total	**838,546**

Supplementary Reserve

The Supplementary Reserve is a pool of former Regular Force and Reserve Force members who could be utilized in an emergency. The Supplementary Reserve is composed of former Regular Force and Reserve members who are no longer actively involved in the CF. Supplementary Reserve members do not perform regular duties, but have agreed to report for service should they be needed to augment the CF. When Supplementary Reserve members are called out, they are usually attached to the Regular Force or Reserve Force for the agreed period, upon completion of which they return to the Supplementary Reserve. The strength of the Supplementary Reserve currently stands at about 55,000 in all ranks.

Canadian Rangers

The role of the Canadian Rangers is to provide a military presence in sparsely settled, northern, coastal, and isolated areas of Canada that cannot conveniently or economically be covered by other elements of the Canadian Forces. Canadian Rangers hold themselves in readiness for service, but are not required to undergo annual training. They are obliged to serve only when placed on active service. During the fiscal year, the Canadian Rangers maintained their involvement with the Junior Canadian Rangers Program while continuing to increase their membership from 3,483 to 3,872 and the number of patrols from 146 to 159.

Cadet Instructors Cadre

The Cadet Instructors Cadre (CIC) consists of officers from the sea, land, and air environments who, although they have undertaken to perform such military duty and training as may be required of them, have as their primary duty the supervision, administration, and training of Sea, Army and Air Cadets. As of the end of fiscal year 2001–02, the CIC had 4,503 dedicated personnel.

Canadian Forces Liaison Council

The Canadian Forces Liaison Council (CFLC) continues to solicit employer support to enhance the availability of Reserve personnel to train and deploy on operations. More than 3,500 employers have indicated support for their employees' participation in the Reserve, of which:

- 35 percent have indicated a willingness to pay salary differential during periods of Reserve service where the members' military rate of pay is less than their civilian wage;

- 76 percent are willing to give in excess of two weeks' leave for employees to attend training activities; and

- 57 percent are willing to give Reserve employees unpaid leave for up to 12 months to allow them to participate in CF operations.

The CFLC developed a special employer-support project to help Reservists who will be participating in the deployment of a Reserve Company to Bosnia in September 2002. The Council approaches more than 500 new employers annually, and it sponsors several programs to further enlist employer support. This past year, the Chief Review Services conducted an in-depth analysis of CFLC operations. The final draft evaluation report was issued in February 2002, and contained 18 recommendations, which will be addressed over the course of the next fiscal year.

Canadian Cadet Program

The Canadian Cadet Program's objectives are to develop the attributes of good citizenship and leadership in young men and women, promote their physical fitness, and stimulate their interest in the sea, land, and air activities of the CF. The CF, in accordance with section 46 of the *National Defence Act,* controls and supervises the Canadian Cadet Organizations (Royal Canadian Sea Cadets, Royal Canadian Army Cadets, and Royal Canadian Air Cadets) in implementing the Cadet Program. The Canadian Cadet Program is one of the federally sponsored national youth-training programs for 12- to 18-year-olds. The Program is conducted in partnership with the Navy League, Army Cadet League, and Air Cadet League, which provide

local sponsors for each corps or squadron. The CF provides Regular Force and Primary Reserve support, as well as the Cadet Instructors Cadre (CIC), which is made up of members of the Reserve Force charged with the supervision, administration, and training of cadets. In 2001–02, almost 55,000 young Canadians benefited from the training provided in the Cadet Program. They were organized into 1,122 units that provided more than 1.3 million training days, and 28 summer training centres that provided more than 500,000 training days.

The following major initiatives either began or continued during the reporting period:

- the acquisition of equipment under the Marksmanship/Biathlon Program;

- the implementation of 50 percent of the 41 recommendations under the Modern Management and Comptrollership Review, with the remainder under way;

- the enhancement of overall communications and public-affairs efforts for the Canadian Cadet Program;

- the Cadet Program Development's undertaking of 48 projects to help stabilize the current programs, of which 23 have been completed (the remaining projects are scheduled for completion in 2003, except for the evolution of the Cadet Training Program, which is scheduled for completion in 2007);

- the implementation of national training directives and the continuation of the CIC Military Occupational Structure Change Management Project, which is in its third phase;

- the completion of the third year of implementing the Cadet Harassment and Abuse Prevention (CHAP) program, which has come to the attention of other federal departments and youth-service organizations as a good example of comprehensive treatment for this difficult and sensitive issue;

- the progression of Cadet clothing modernization (it is anticipated that the new all-season coats will start being delivered in January 2003); and

- the commencement or completion of nearly 50 percent of the subprojects associated with the Cadet Summer Training Centre Cadet Omnibus Infrastructure Project, with the remainder planned for the next four years based on funding availability.

The Canadian Cadet Program expenditures for 2001–02 were $156.7 million, including $17.8 million added to the Cadet Program reference-level funding from the Youth Initiatives Program. Expenditures by allotment over the past five years are listed in the following table:

DND FUNDING: CANADIAN CADET PROGRAM ($000)					
	Actual 1997–98	Actual 1998–99	Actual 1999–00	Actual 2000–01	Actual 2001–02
Personnel	56,987	66,951	80,691	84,222	90,500
Operating	48,351	53,332	66,316	70,377	62,257
Subtotal	**105,338**	**116,497**	**147,007**	**154,599**	**152,757**
Grants	615	646	615	750	750
Capital	858	2,795	11,059	1,913	3,236
Total	**106,811**	***123,724**	**†158,681**	**‡157,262**	****156,743**

Source: Vice Chief of the Defence Staff

Notes:

*   Includes $7.2 million for Youth Initiatives.

†   Includes $5 million incremental costs due to *Operation PARASOL* (Humanitarian aid for Kosovo refugees), $16.7 million for Youth Initiatives, and $10 million in special "in-year" funding for infrastructure and IT projects.

‡   Includes $24.6 million for Youth Initiatives.

** Includes $17.8 million added to Cadet Program reference-level funding in fiscal year 2001–02 from Youth Initiatives, and $2.0 million Investment Opportunity funding in Capital.

Junior Canadian Rangers Program

The objective of the Junior Canadian Rangers (JCR) Program is to provide a structured youth program that promotes traditional cultures and lifestyles in remote and isolated communities of Canada. The CF, in accordance with section 46 of the *National Defence Act*, controls and supervises the JCR Program, which is formed as a cadet organization, and ensures the implementation of the JCR Program. In carrying out this responsibility, the CF takes into account and co-operates with the local, regional, provincial, or territorial and federal agencies involved in the program to the fullest extent possible. The program is conducted in partnership with local and regional adult committees composed of community members. Community support is the cornerstone of the JCR Program. The CF provides financial and administrative support to the program. CF personnel regularly validate training during visits and field exercises.

Over the past fiscal year, 14 new JCR patrols were established, raising the current total to 72. These patrols will be expanded in response to requests from communities. With the continued support of the funding received from the Youth Initiatives Program, it is hoped that 13 more will be established over the coming fiscal year, for a total of 85 JCR patrols.

According to testimony from members of various JCR communities, this program has had a tremendous impact at the community level. Due to DND's decision to shift a large portion of the responsibility of this program to the community level (i.e., traditional and life-skills portions), there is confidence that this program is meeting its intended purpose of serving the community. Moreover, the successful implementation of this program at the community level is being credited for its impact on chronic social problems, such as suicide and substance abuse. It is apparent that the JCR Program has had a significant positive social impact on the growing youth population, which is considered to be "at risk" in the communities that the Program serves.

The CF is working closely with the communities to develop meaningful and important training activities for the JCR. One such initiative is the Preventing Harassment and Abuse through Successful Education (PHASE) program. PHASE is a particularly important venture, since it is hoped the young people participating in this program will learn and grow in a respectful and safe environment free of all forms of harassment and abuse. Community consultation has been the key element in the design of this program. The Department has ensured that community leaders, regional/Aboriginal governments, social-services representatives, the Department of Indian Affairs and Northern Development, Health Canada, and Consulting and Audit Canada were consulted. The rich cultural and geographic diversity among the communities has been identified and is reflected in this endeavour. All JCRs benefited from local training (within the community) conducted from September through May, and more than 400 of the 1,850 JCRs took part in the Advanced Summer Training Program.

Of the 49 CANRAN 2000 recommendations, 18 pertain directly to or include the JCR Program. Of these 18 objectives, eight have been completed, while work has been initiated and is being pursued on six others. The remaining four objectives are pending, based on funding availability.

Funding allocations for the JCR Program amounts to $5.322 million: $500,000 allocated by the Department of National Defence, $300,000 allocated by Human Resources Development Canada, $2.4 million allocated through the Youth Initiatives Program, and $2.122 million from CANRAN 2000. The summary below outlines how the funding was allocated.

DND FUNDING: JUNIOR CANADIAN RANGERS ($000)		
	Actual 2000–01	Actual 2001–02
Personnel	$2,201	1,953
Operating	2,542	3,076
Capital	327	293
Total	$5,070	$5,322

Source: Vice Chief of the Defence Staff

Communications Security Establishment and National Cryptographic Program

Mandate

The Communications Security Establishment (CSE) is mandated to:

- acquire and use information from the global information infrastructure for the purpose of providing foreign intelligence, in accordance with Government of Canada priorities;

- provide advice, guidance, and services to help ensure the protection of Government of Canada electronic-information and information infrastructures; and

- provide technical and operational assistance to federal law-enforcement and national-security agencies.

The CSE's vision is to be the national agency that masters the global information network to enhance Canada's safety and prosperity. While being Canada's cryptologic agency, its mission is to provide and protect information that furthers Government of Canada interests through two distinct business lines: Signals Intelligence and Information-Technology Security.

Signals Intelligence

Through Signals Intelligence, the CSE collects, studies, and produces information from foreign communications which:

- provides unique and timely data related to foreign-intelligence requirements levied by the Government of Canada;

- could be used for strategic warning, policy formulation, decision-making, and day-to-day assessment of foreign capabilities and intentions; and

- has evolved from predominantly defence-oriented information to include a variety of political, defence, and security issues.

Information Technology Security

Through Information Technology Security (ITS), the CSE provides technical advice, guidance, and services to Government of Canada departments on issues related to information protection and technological security. As the technical authority on IT security, CSE's ITS program:

- supports the development of IT-security policy and standards for the Government;

- analyzes vulnerabilities in IT products, systems, and networks, and recommends appropriate countermeasures;

- approves cryptographic, computer, and network-security products and systems to protect electronic information and electronic commerce;

- develops (and supports the development of) IT security products, systems, and services; and

- provides IT-security consulting services and support to federal and other levels of government.

Both core missions were addressed in the *Anti-Terrorism Act,* which became effective on December 24, 2001. The Act was the Government of Canada's response to the terrorist attacks of September 11, 2001, and formalized the CSE's mandate in legislation for the first time. Under the Act, Ministerial authorizations can now be issued to allow for the interception of private communications to:

- collect the communications of a legitimate foreign-intelligence target located abroad, if those communications enter or depart Canada; and

- provide technical assistance to prevent unauthorized use of Canadian government computer systems and networks.

Specific criteria aimed at protecting the privacy of Canadians must be met before an authorization is issued. The Act also extends the CSE Commissioner's mandate to include the review of CSE activities that are conducted under Ministerial authorization.

Linkages

CSE relies on partnerships to accomplish its mission, and as such is involved in many initiatives with domestic and international partners, as follows:

- it provides leadership and support to Government of Canada departments in many secure e-government initiatives, including:

  - ➢ Government On-Line;

  - ➢ the Strategic Information Management/Information Technology Initiative; and

  - ➢ Government of Canada Public Key Infrastructure;

- it supports the Office of Critical Infrastructure Protection and Emergency Preparedness;

- it supports federal law-enforcement and national-security agencies;

- it shares the collection burden and resulting intelligence; and

- it supports and receives assistance from the Canadian Forces Information Operations Group.

Resources

Budget 2001 provided the CSE with an infusion of funds which was used to:

- substantially enhance and expand security-related capabilities in counter-terrorism and counter-proliferation;

- augment, modernize, and retool existing collection and processing systems;

- accelerate planned projects that support research and development;

- upgrade the organization's information-technology infrastructure; and

- increase the capability to identify threats and vulnerabilities on its own and on Government networks.

CSE FINANCIAL AND HUMAN RESOURCES	1999–2000		2000–01		2001–02	
	Planned	Actual	Planned	Actual	Planned	Actual
Financial Resources ($000)						
Salary and Personnel	63,650	52,950	54,000	58,417	54,488	68,125
Operations and Maintenance	24,334	20,353	18,300	22,342	18,571	53,016
Capital	21,888	39,009	25,700	48,472	26,144	67,892
Total Budget ($000)	**109,872**	**112,313**	**98,000**	**129,231**	**100,203**	**189,033**
Human Resources (FTEs)	**900**	**899**	**900**	**915**	**900**	**942**

Source: Communications Security Establishment

Challenges

The CSE's ability to deliver consistently on its mandate will largely depend on the agency's ability to:

- effectively prioritize the resources received in the aftermath of September 11 to use in the fight against terrorism, while maintaining high standards of service in established program areas;

- understand the global network, its technologies, and its vulnerabilities, as well as methods to mitigate or exploit the cumulative effects of all three;

- maintain a current understanding of how the global information infrastructure is used by those who threaten the security of Canada and its allies;

- develop new technical solutions to problems with intelligence collection and information protection through advanced research-and-development efforts;

- attract, develop, and retain a specialized knowledge-based workforce through a comprehensive human-resources strategy; and

- accelerate the modernization of management practices.

National Search and Rescue Secretariat and National Search and Rescue Program

In 2001, 3,469 lives were saved in search-and-rescue (SAR) activities conducted under federal authority. To achieve this result in a country of Canada's size, diverse geography, and challenging climate requires a multi-jurisdictional program that encompasses all levels of government, volunteer organizations, and many other private and public organizations collaborating in both response and prevention activities to provide a seamless safety net through the National Search and Rescue Program (NSP).

The National SAR Secretariat (NSS) is accountable to the Minister of National Defence, who is the lead Minister for search and rescue. Through the Interdepartmental Committee on Search and Rescue (ICSAR), the NSS develops, co-ordinates, analyzes, and reviews federal SAR program policies, federal SAR program plans, and specific federal SAR program components and activities. NSS also administers the $8.1-million New SAR Initiatives Fund (NIF) intended for projects aimed at improving the NSP. These responsibilities involve the participation and interaction of the following six federal departments or agencies, which are represented at ICSAR:

- Environment Canada (EC)/Meteorological Service of Canada (MSC), at www.ec.gc.ca;

- Department of Fisheries and Oceans (DFO)/Canadian Coast Guard (CCG), at www.dfo-mpo.gc.ca;

- Department of National Defence (DND)/Canadian Forces (CF), at www.forces.gc.ca;

- Heritage Canada/Parks Canada Agency (PCA), at www.parkscanada.gc.ca;

- Solicitor General Canada and the RCMP, at www.rcmp-grc.gc.ca; and

- Transport Canada, at www.tc.gc.ca.

NSS plans, priorities, and performance results are submitted through DND for administrative purposes. Detailed reports on activities of individual federal departments and agencies in their area of SAR responsibility can be found in each specific DPR submission.

National SAR Secretariat

Results

Maintaining a cohesive and efficient National Search and Rescue Program

In advancing the development and co-ordination of a horizontally structured National Search and Rescue Program that addresses Canada's geographic, environmental, and demographic challenges, the NSS worked in close collaboration with ICSAR departments to:

- complete the federal SAR program policy and program framework, including vision and objectives;

- obtain ICSAR approval of new accountability regime for ICSAR and NSS;

- develop the first-ever multi-jurisdictional SAR training exercise conducted in August 2002;

- support the provinces and territories through GSAR council meetings; and

- consult with the provinces and territories to advance work on developing a common approach to GSAR training standards, and to the federal SAR program vision and objectives.

The NSS improved the modern comptrollership of the New SAR Initiatives Fund (NIF), as well as the horizontal accountability measures with federal, provincial, and territorial sponsors by:

- incorporating recommendations from NIF sponsors, program participants, audits and new Treasury Board policies into the NIF Program Guide;

- posting all NIF forms and reports on the NSS Web site at the following address: www.nss.gc.ca/NIF/forms/index_e.html;

- expanding NIF performance tracking;

- funding 87 new and ongoing projects that contributed to enhancing volunteer SAR, SAR research and development, SAR in the north, and SAR prevention; and

- publishing the NIF final report for fiscal year 2000–01 (for details, see the following site: www.nss.gc.ca/reports/index_e.html).

The NSS strengthened the capacity of the SAR prevention program by providing best-practices information to ICSAR departments, and by preparing a proposal to expand the SAR Prevention Working Group for discussion at SAR*SCENE* 2002.

Improving Information and Communication Tools

The NSS improved tools to foster communication and co-operation among national and international agencies involved in SAR by:

- distributing SAR*SCENE* magazine to 11,000 readers, conducting a readership study of the magazine, and providing information on prevention, NIF projects, safety, significant SAR incidents, and responses;

- holding the SAR*SCENE* 2001workshop and trade show (for details, see the Web site at www.nss.gc.ca/sarscene/workshop/ss2001/recap_e.htm);

- conducting a user survey of the NSS Web site and improving it by making it more user-friendly, fully bilingual, and bringing it into line with the federal government's policy on common look and feel;

- distributing brochures explaining the international COSPAS-SARSAT satellite alerting system, NIF, and Personal Locator Beacons; and

- strengthening the communications function to improve communications with stakeholders on all NSS activities, and to increase co-ordination of communications activities with ICSAR partners.

To improve the effectiveness of the Canadian Beacon Registry, the NSS:

- maintained and updated the registry with data available to stakeholders 24 hours a day, seven days a week; and

- developed the world's first Web-based SQL application to facilitate on-line beacon registration, 24/7 data access, and more up-to-date data.

Maintaining Influential National and International Partnerships

The NSS led five Canadian delegations to COSPAS-SARSAT council, committee and task group international meetings, and advanced the Canadian perspective on:

- proposals on the international 406-MHz beacon database; and

- support for lower cost 406-MHz beacons and concern over beacons with lower technical specifications (class 3).

Administration and Management

The NSS started a program of organizational renewal to improve efficiency and effectiveness and make the organization a great place to work. Where 2001–02 funds were unspent, the reason was unforeseen slippage in NIF projects. As indicated in note 2 to the table below, most of these funds were carried forward to fiscal 2002–03.

COSTS OF NATIONAL SEARCH AND RESCUE SECRETARIAT ($000)		
	Planned 2001–02	**Actual 2001–02**
Operating	2,095	1,795
Capital[1]	9,525	[2]7,512
Grants and Contributions[3]	214	960
Total	**11,835**	**10,267**

Notes:

1 Includes $95,000 in NSS capital and $8.1 million NIF, less capital converted to contributions for provincial and territorial NIF projects.
2 $1.178 million NIF carried forward to fiscal year 2002–2003.
3 Includes NIF capital converted to contributions for provincial and territorial NIF projects (see note 1), plus $215,000 for the COSPAS-SARSAT program.

National SAR Program

SAR Response

- In 2001, the three joint rescue co-ordination centres responded to 8,218 aeronautical, maritime, and humanitarian SAR incidents. In the 6,448 marine incidents and 705 air incidents, 3,469 lives were saved, 127 lives were lost, and 50 people were declared missing. Over a five-year period, this constitutes a four-percent increase attributable mostly to increased activity in an improved economy.

- Following the events of September 11, 2001, SAR primary resources were placed on heightened-standby posture for four days to respond to possible further incidents.

- SAR resources achieved an average response time (time from alert to launch of asset) of:

  ➢ 69.4 minutes for CF primary SAR assets during prescribed two-hour response posture, and an average of 36.6 minutes during the 30-minute response posture; and

  ➢ 10.2 minutes for CCG primary SAR vessels.

- There were more than 696 searches conducted within RCMP jurisdiction (this figure excludes searches in Ontario, Quebec, and most major urban centres, since figures for these areas were not available).

SAR Prevention

- RCMP members and volunteers delivered the Smart Sled, Hug-a-Tree, and Trip Planning Form prevention programs, as well as boating-safety demonstrations, to a variety of audiences.

- MSC issued about 14,000 severe-weather warnings, 3,500 ice-hazard warnings, 500,000 public weather forecasts, 200,000 marine-weather forecasts, and 400,000 aviation forecasts.

- MSC upgraded and implemented operationally a new trajectory model for debris drift to help guide SAR efforts to the right location.

- MSC converted six weather radars to Doppler radar to improve detection and prediction of environmental hazards. This multiyear project will see 31 Doppler radars installed. As of March 2002, 20 radars had been installed. The radar information is available on-line at www.weatheroffice.ec.gc.ca.

- MSC continued its two-decade-old program of installing NIF-funded buoys in Atlantic Canada to provide weather information to mariners and SAR responders. MSC maintains the equipment, and CCG provides annual ship time to visit the sites.

- The Canadian Coast Guard's Office of Boating Safety (OBS) administers Canada's recreational boating regulations, which apply to all navigable waters. These regulations include waterway restrictions, mandatory safety equipment, and operator-competency requirements. The Office of Boating Safety publishes the *Safe Boating Guide*, which explains regulations and provides safety tips, and it maintains both a responsive Web site at www.ccg-gcc.gc.ca and a 1-800-267-6687 toll-free number for public enquiries.

- Parks Canada completed two NIF projects designed to promote ice-rescue safety in areas of Ontario and Quebec, completed several multiyear NIF prevention programs targeted at avalanche safety through the Canadian Avalanche Association and the SmartRisk Foundation, and distributed 40 public service announcements to all national parks and at least 100 cable stations across Canada, including the Weather Network and the History Channel (for details, see www.parkscanada.gc.ca/publicsafety/english(francais)/main_e.htm).

Resources

Table 2 shows the personnel and financial resources used by federal departments for SAR program activities in 2001–02, compared to those forecast in the 2001–02 *Report on Plans and Priorities*.

NATIONAL SEARCH AND RESCUE PROGRAM: RESOURCES BY DEPARTMENT OR AGENCY				
	Personnel (FTEs)		Costs ($000)	
Department or Agency	**Planned 2001–02**	**Actual 2001–02**	**Planned 2001–02**	**Actual 2001–02**
National Search and Rescue Secretariat	19.5	19.5	11,835	10,267
Environment Canada	14	14	985	985
Department of Fisheries and Oceans[2]	N/A	N/A	104,193	94,108
Department of National Defence	737	806	[1]251,921	[1]220,802
Parks Canada	67	67	4,929	4,929
Royal Canadian Mounted Police[2]	N/A	N/A	N/A	N/A
Transport Canada	7	7	970	970
Total	**844.5**	**913.5**	**374,833**	**331,091**

Source: National Search and Rescue Secretariat

Notes:

1   The DND figure includes the capital costs for the Cormorant (CH–149), which will be completed in 2005.
Planned = $128,500; Actual = $118,088

2   Due to the multitasking that is integral to RCMP and CCG operations, FTE figures for RCMP and CCG are not
available.

Office of the Ombudsman for National Defence and the Canadian Forces

The Office of the Ombudsman for National Defence and the Canadian Forces was established as part of an extensive set of changes designed to improve openness and accountability within DND. The Office became operational June 16, 1999, through Ministerial Directives and a Defence Administrative Order and Directive (DAOD). The Ombudsman operates as a neutral third party, independent of the chain of command and civilian management. The role of the Office is to ensure that all DND employees and CF members are treated fairly, and to contribute to substantial and long-lasting improvements to their welfare. This is achieved by investigating individual complaints and, when appropriate, making recommendations to address systemic issues. The Ombudsman also reviews existing complaints processes to ensure they operate fairly and effectively.

When dealing with complaints, the Office endeavours to resolve issues informally and at the lowest level possible. In some instances, individuals may be referred to the existing channels of redress. If they remain dissatisfied, the Office will determine if an investigation is warranted.

During 2001–02, 1,489 cases were received. The top area of concern in 2001–02 was benefits. The table below provides a breakdown of the constituent groups that contacted the Office for assistance.

COMPLAINTS TO THE DND/CF OMBUDSMAN	
Type of Complainant	**Number of Cases**
Regular Force	676
Former CF Member	250
Reserve Force	149
Family Member	99
Non-constituent	86
Civilian Employee	51
Cadet	13
Former Civilian Employee	9
Total Complainants	**1,333**
Total Complaints	**1,489**

Note: Some complainants lodged more than one complaint.

On February 5, 2001, the Ombudsman released his report on the treatment of CF members with post-traumatic stress disorder (PTSD). He concluded that stress-related illnesses are prevalent in the Canadian Forces, and that systemic changes are required to modify attitudes and improve education and training. A follow-up report in November 2002 will assess the implementation of the Ombudsman's recommendations on PTSD.

On March 1, 2002, the Ombudsman presented the first annual Ombudsman's Commendations to recognize individuals who bring pride to the DND/CF community through exemplary dedication and service. Chief Warrant Officer Roger Bouchard received the Ombudsman's Commendation for Ethics, and Chief Petty Officer (2nd Class) Larry Schneider received the Ombudsman's Commendation for Complaint Resolution.

During 2001–02, the total budget for the Office was $5.6 million. Actual expenditures were $5.2 million. The largest category of expenditures was salaries at $2.8 million, which accounted for over half of the Office's total expenditures.

For more information on the Office of the Ombudsman for National Defence and the Canadian Forces, see www.ombudsman.forces.gc.ca.

Office of the Judge Advocate General

As a Special Entity senior manager, the JAG is directly responsible to the Minister of National Defence in the performance of the JAG's duties and functions, which are set out in section 9.3(1) of the *National Defence Act*. The first of these states that the JAG "acts as legal adviser to the Governor General, the Minister, the Department and the Canadian Forces in matters relating to military law." In addition, the JAG is accountable to the Deputy Minister and the Chief of the Defence Staff for his resources, and must demonstrate effective resource stewardship.

Overall, JAG's performance-measurement system gives the Office of the JAG an 89-percent performance rating for fiscal year 2001–02, an improvement from the previous fiscal year's 85-percent rating. An independent audit and extensive client surveys conducted during the performance period serve to validate the JAG system of performance management. In addition to earning high approval ratings for service provision, the JAG pursues a strategic change and reform program of 128 multi-year projects aimed at continuously improving the military justice system, client legal services, and the core competencies of lawyers. In fiscal year 2001–02, 46 strategic initiatives were completed—more than double the initiatives completed in the year before.

For details on JAG and its performance-measurement system, including JAG's Annual Performance Report, visit www.forces.gc.ca/jag/welcome_e.html.

Part IV: Consolidated Reporting

Alternative Service Delivery Initiatives

DND has continued to pursue arrangements designed to improve delivery of services and programs to Canadians. To promote innovation in a broader context, DND has embedded the Alternative Service Delivery (ASD) policy and program in its Continuous Improvement Framework, which senior management approved in June 2001. The ASD program permits the consideration of alternative service arrangements that balance efficiency, effectiveness, and economy in a results-based approach. DND has augmented the rigour of business-case analysis and documentation to provide for open and transparent management of resources.

Recognizing the need to ensure proper and effective accountability, as of April 2002, DND has engaged its employees' unions in ongoing dialogue and consultations on the new way ahead for ASD.

For fiscal 2001–02, the following ASD initiatives meet the criteria set out in Treasury Board guidelines for the purposes of reporting in this DPR:

- Supply Chain Project

- Site Support Services

- CF Common Service Standards

- Base Standards Initiative

- Goose Bay ASD

- Contracted Flying and Training Support

- Contracted Airborne Training Services

- NATO Flying Training in Canada

- Defence R&D Canada

For details, please visit www.vcds.forces.gc.ca/dgsp/dfppc/pubs/dpr/intro_e.htm.

Procurement and Contracting

Detailed information in accordance with Treasury Board guidelines can be found at www.vcds.forces.gc.ca/dgsp/dfppc/pubs/dpr/intro_e.htm.

Materiel Management

Detailed information in accordance with Treasury Board guidelines can be found at www.vcds.forces.gc.ca/dgsp/dfppc/pubs/dpr/intro_e.htm.

Sustainable Development Strategy

The Sustainable Development Strategy (SDS 2000) reflects the DND commitment to supporting the federal sustainable development agenda by continuously improving our environmental performance while respecting the DND mandate. The key theme of SDS 2000 is conservation of the environment by integrating environmental considerations into decision-making at every level. Four goals are supported by 12 objectives set out in **Table 1** of this DPR. In turn, 21 specific and measurable targets provide the means to demonstrate progress toward our goals and, ultimately, to translate the theme into a practical approach to sustainable development. This DPR covers the period April 1, 2001 through March 31, 2002; a detailed list of results for sustainable development targets can be found at the following Internet site: www.vcds.forces.gc.ca/dgsp/dfppc/pubs/dpr/intro_e.htm.

Status of Fuel-Storage Tanks on DND-Owned Land

As required under Part IV: "Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands Regulations" of the *Canadian Environmental Protection Act*, this report provides the information described in Schedule II of the aforementioned regulation, updated to December 31, 2002.

- **Aboveground** storage-tank systems registered with DND: **1,284**, including **1,026** owned by DND and 258 not owned by DND. Of the 1,026 DND-owned tanks, **836** (81%) comply with the *Federal Aboveground Storage Tank Technical Guidelines*, and **190** (19%) do not.

- **Underground** storage-tank systems registered with DND: **1,019**, including **216** owned by DND and 803 not owned by DND. Of the 216 DND-owned tanks, **143** (66%) comply with the *Federal Underground Storage Tank Technical Guidelines*, and **73** (34%) do not.

DND is reviewing the tank data and will be developing an action plan to address those tanks that are out of compliance.

Part V: Financial and Human Resource Reporting

Resource Overview for Fiscal Year 2001–2002

This is the first DPR in which reporting on resource utilization is based on the capability program of the Planning, Reporting and Accountability Structure (PRAS).

Actual Spending for FY 2001-02, by Capability Program

Corporate Policy and Strategy
4%

Command and Control
14%

Generate Forces
12%

Total: $12.2 Billion

Sustain Forces
35%

Conduct Operations
35%
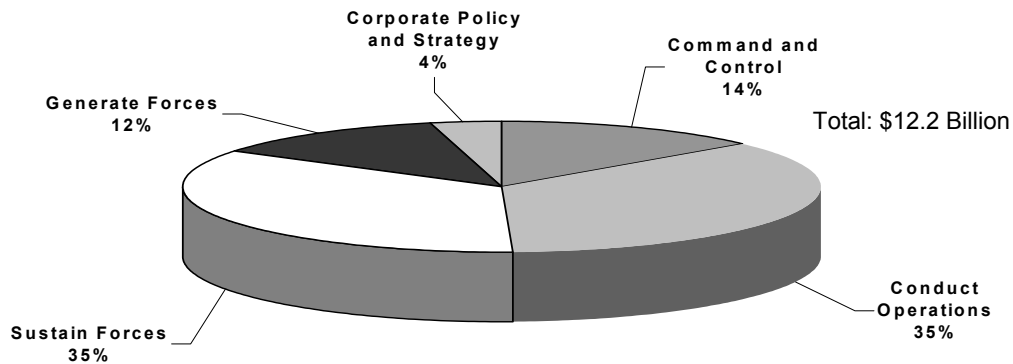
Actual Military and Civilian FTEs for FY 2001-02, by Capability Program

Total: 79,312
Military: 59,249
Civilian: 20,063

Military
Civilian

Number of FTEs

Capability Program

Command and Control — Conduct Operations — Sustain Forces — Generate Forces — Corporate Policy and Strategy
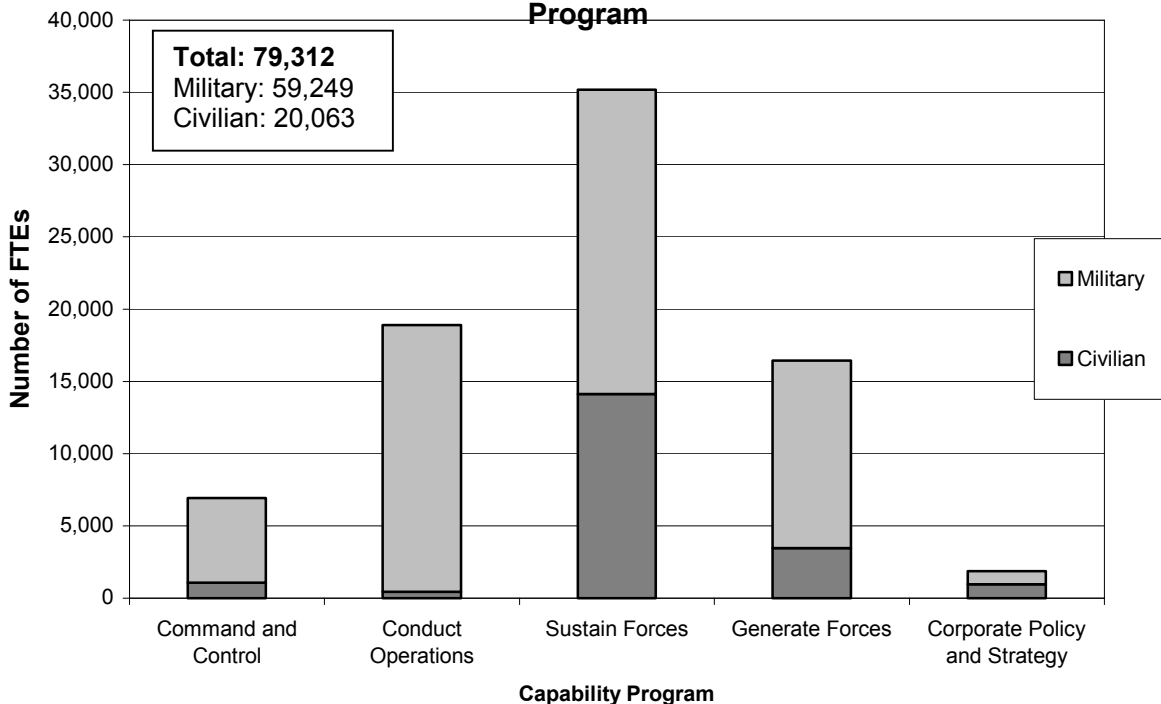
Financial Tables

The following table provides a crosswalk between the Service Line structure and the Capability Program defined in the PRAS.

Crosswalk from Service Lines to Capability Programs ($ thousands)

	Command and Control	Conduct Operations	Sustain Forces	Generate Forces	Corporate Policy and Strategy	Total
Maritime Forces	314,544	810,619	604,840	219,320	10,347	**1,959,670**
Land Forces	287,443	1,574,297	1,040,312	244,806	18,439	**3,165,297**
Air Forces	160,812	1,389,864	1,202,668	283,198	25,858	**3,062,400**
Joint Operations and Civil Emergency Preparedness	372,834	555,095	171,554	15,509	38,579	**1,153,571**
Communications and Information Management	334,899	13,473	9,241	25,631	26,052	**409,296**
Support to the Personnel Function	3,858	—	404,859	444,110	18,119	**870,946**
Materiel, Infrastructure, and Environment Support	4,940	5,554	576,094	215,995	32,422	**835,005**
DND/CF Executive	195,504	45,275	223,291	37,492	285,790	**787,352**
Total	**1,674,833**	**4,394,178**	**4,232,859**	**1,486,061**	**455,605**	**12,243,537**

Table 1: Financial Requirements, by Authority ($ millions)

Table 1 explains how Parliament votes resources to DND, and indicates changes to funding levels made during the fiscal year through supplementary estimates and special allotments to accommodate changing priorities and specific initiatives.

For example, DND received additional funding or spending authority for: investment opportunities ($300 million); *Operation APOLLO* ($185 million); public-security and anti-terrorism initiatives ($155 million); wage and salary increases for military and civilian personnel ($133 million); carry forward from 2001–02 ($127 million); proceeds from the sale of surplus assets ($49 million); and costs of employee benefit plans ($42 million).

However, the total available spending authority was not fully utilized, including a portion of the amount available for payments to the provinces for "disaster financial assistance arrangements" ($84 million), and an amount that will be carried forward to 2002–03 ($73 million).

		2001–2002		
Vote	Defence Services Program	Main Estimates	Total Authorities	Actual
1	Operating Expenditures	7,964.9	8,835.4	8,764.5
5	Capital Expenditures	2,143.3	2,255.9	2,208.0
10	Grants and Contributions	402.1	402.6	312.1
(S)	Minister of National Defence — Salary and motor-car allowance	0.1	0.1	0.1
(S)	Civilian pensions and annuities	0.1	0.1	0.1
(S)	Military pensions and annuities	718.0	748.9	748.9
(S)	Contributions to employee benefit plans	161.5	168.4	168.4
(S)	Spending of proceeds from the disposal of Crown assets	—	42.4	41.4
(S)	Collection agency fees	—	—	—
	Total Department	**11,390.0**	**12,453.9**	**12,243.5**

Note: Due to rounding, figures may not add up to totals shown.

Table 2: Comparison of Planned to Actual Spending in 2001–02, by Capability Program ($ millions)

Capability Program		FTEs	Operating	Capital	Grants & Contributions	Total Gross Expenditures	Less: Respendable Revenues	Total Net Expenditures
Command and Control	Planned	6,881	1,010.8	469.4	—	1,480.2	3.4	1,476.8
	Total Authorities	—	1,214.5	513.8	—	1,728.3	22.2	1,706.1
	Actuals	6,919	1,193.2	502.9	—	1,696.1	21.2	1,674.9
Conduct Operations	Planned	18,888	2,841.6	1,233.2	253.2	4,328.0	4.8	4,323.2
	Total Authorities	—	3,084.9	1,193.0	253.2	4,531.1	9.2	4,521.9
	Actuals	18,896	3,067.3	1,167.6	168.1	4,403.0	8.8	4,394.2
Sustain Forces	Planned	34,659	3,819.4	373.0	22.2	4,214.6	314.4	3,900.2
	Total Authorities	—	4,257.2	434.8	21.1	4,713.1	449.9	4,263.2
	Actuals	35,186	4,217.6	425.6	21.6	4,664.8	432.1	4,232.7
Generate Forces	Planned	16,318	1,328.8	22.7	6.5	1,358.0	9.5	1,348.5
	Total Authorities	—	1,467.4	32.7	6.5	1,506.6	17.3	1,489.3
	Actuals	16,442	1,464.2	32.0	6.5	1,502.7	16.6	1,486.1
Corporate Policy and Strategy	Planned	1,833	165.1	51.3	137.8	354.2	6.6	347.6
	Total Authorities	—	265.4	81.6	134.8	481.8	8.4	473.4
	Actuals	1,869	254.9	79.9	128.9	463.7	8.1	455.6
Capability program totals	**Planned**	**78,579**	**9,165.7**	**2,149.6**	**419.7**	**11,735.0**	**338.7**	**11,396.3**
	Total Authorities	**—**	**10,289.4**	**2,255.9**	**415.6**	**12,960.9**	**507.0**	**12,453.9**
	Actuals	**79,312**	**10,197.2**	**2,208.0**	**325.1**	**12,730.3**	**486.8**	**12,243.5**
Spending against the proceeds of Crown Assets Disposal	Planned							—
	Total Authorities							(42.4)
	Actuals							(41.4)
Non-respendable revenues	Planned Spending							(5.6)
	Total Authorities							(5.6)
	Actuals							(36.4)
Costs of services provided by other departments	Planned Spending							271.7
	Total Authorities							271.7
	Actuals							430.0
Net cost of program	**Planned Spending**							**11,662.4**
	Total Authorities							**12,677.6**
	Actuals							**12,595.7**

Note: Due to rounding, figures may not add to totals shown.

Table 3: Historical Comparison of Planned Spending to Actual Spending, by Capability Program ($ millions)

Capability Program	Actual 1999–00[1]	Actual 2000–01[1]	2001–2002		
			Planned Spending	Total Authorities	Actual
Command and Control	1,518.9	1,523.5	1,476.8	1,706.1	1,674.9
Conduct Operations	4,268.8	4,211.2	4,323.2	4,521.9	4,394.2
Sustain Forces	3,987.8	3,958.0	3,900.2	4,263.2	4,232.7
Generate Forces	1,406.0	1,391.0	1,348.5	1,489.3	1,486.1
Corporate Policy and Strategy	340.2	386.3	347.6	473.4	455.6
Total	**11,521.7**	**11,470.0**	**11,396.3**	**12,453.9**	**12,243.5**

[1] Includes the spending of proceeds from the sale of surplus assets.

Table 4: Revenues, by Capability Program ($ millions)

DND's respendable revenue is equal to its vote-netted revenue, which is based on the recovery of the cost of goods and services provided throughout the year. This directly increases DND's spending authority in the year of recovery to offset the costs incurred. Recoveries come from CF members and DND employees, other government departments, foreign governments, and international organizations such as the UN and NATO. Examples of such recoveries are: rents paid by CF members for permanent married quarters (PMQs), proceeds of sales of food services, costs recovered for foreign military training in Canada, and proceeds of sales of petroleum products (POL) to foreign forces.

Non-respendable revenues are revenues that have been transferred to the Consolidated Revenue Fund and, therefore, do not increase departmental spending authority—for example, refunds of prior-year expenditures, interest earned, and recoveries of some costs of UN missions for which DND received direct funding. There are also non-respendable revenues for which DND may apply to obtain spending authority in the next year—for example, the proceeds of sales of intellectual and real property.

| | | | 2001–2002 | | |
Respendable Revenue	Actual 1999–00	Actual 2000–01	Planned Revenues	Total Authorities	Actual
Command and Control	3.4	4.4	3.4	22.2	21.2
Conduct Operations	5.1	6.0	4.8	9.2	8.8
Sustain Forces	358.0	376.3	314.4	449.9	432.1
Generate Forces	10.9	11.1	9.5	17.3	16.6
Corporate Policy and Strategy	6.7	8.7	6.6	8.4	8.1
Total Respendable Revenues	**384.1**	**406.5**	**338.7**	**507.0**	**486.8**
Total Non-Respendable Revenues	102.2	61.9	5.6	5.6	36.4
Total Revenues	**486.3**	**468.4**	**344.3**	**512.6**	**523.2**

Table 5: Statutory Payments, by Capability Program ($ millions)

Statutory payments include: the salary and car allowance of the Minister of National Defence, civilian pensions and annuities, military pensions and annuities, contributions to employee benefit plans, spending of proceeds from the disposal of Crown assets, and collection-agency fees.

Capability Program	Actual 1999–00	Actual 2000–01	2001–2002		
			Planned Spending	Total Authorities	Actual
Command and Control	83.7	78.0	77.8	81.6	81.6
Conduct Operations	244.4	239.3	221.8	233.0	233.0
Sustain Forces	475.1	409.6	380.3	435.5	434.5
Generate Forces	159.7	158.7	181.3	190.3	190.3
Corporate Policy and Strategy	20.0	18.1	18.5	19.5	19.5
Total	**982.9**	**903.7**	**879.7**	**959.9**	**958.9**

Table 6: Transfer Payments, by Capability Program ($ millions)

Capability Program	Actual 1999–00	Actual 2000–01	2001–2002		
			Planned Spending	Total Authorities	Actual
Grants					
Command and Control	—	—	—	—	—
Conduct Operations	—	—	—	—	—
Sustain Forces	0.1	0.1	0.1	3.6	3.6
Generate Forces	1.2	1.1	1.1	1.1	1.1
Corporate Policy and Strategy	2.6	2.8	3.1	3.1	3.1
Subtotal Grants	**3.9**	**4.0**	**4.3**	**7.8**	**7.8**
Contributions					
Command and Control	—	—	—	—	—
Conduct Operations	213.9	108.3	253.2	253.2	168.1
Sustain Forces	19.1	21.9	22.1	17.5	18.0
Generate Forces	5.4	4.8	5.4	5.4	5.4
Corporate Policy and Strategy	147.8	106.4	134.7	131.7	125.8
Subtotal Contributions	**386.2**	**241.4**	**415.4**	**407.8**	**317.3**
Total Transfer Payments	**390.1**	**245.4**	**419.7**	**415.6**	**325.1**

Human Resource Utilization

Table 7: Civilian FTEs, by Capability Program

Capability Program	Actuals 1999–00	Actuals 2000–01	Actuals 2001–02
Command and Control	1,115	1,038	1,069
Conduct Operations	416	419	437
Sustain Forces	13,803	13,667	14,132
Generate Forces	3,126	3,204	3,470
Corporate Policy and Strategy	786	950	955
Total	**19,246**	**19,278**	**20,063**

Source: Assistant Deputy Minister Human Resources (Civilian)

Table 8: Military (Regular Force) FTEs, by Capability Program

Capability Program	Actuals 1999–00	Actuals 2000–01	Actuals 2001–02
Command and Control	5,861	5,969	5,850
Conduct Operations	19,142	20,179	18,459
Sustain Forces	23,406	20,484	21,054
Generate Forces	10,115	11,306	12,972
Corporate Policy and Strategy	836	914	914
Total	**59,360**	**58,852**	**59,249**

Source: Assistant Deputy Minister Human Resources (Military)

Table 9: Combined Civilian and Military (Regular Force) FTEs, by Capability Program

Capability Program	Actuals 1999–00	Actuals 2000–01	Actuals 2001–02
Command and Control	6,899	7,084	6,919
Conduct Operations	19,561	20,595	18,896
Sustain Forces	37,073	34,287	35,186
Generate Forces	13,319	14,432	16,442
Corporate Policy and Strategy	1,786	1,700	1,869
Total	**78,638**	**78,098**	**79,312**

Source: Compiled from Table 7 and Table 8

Table 10: Summary of Civilian FTEs, by Professional Category

Professional Category	Actuals 1999–00	Actuals 2000–01	Actuals 2001–02
Order-In-Council Appointments	1	1	3
Executive	83	82	95
Scientific and Professional	1,601	1,499	1,723
Administrative and Foreign Service	3,027	2,772	3,986
Technical	1,847	1,844	2,055
Administrative Support other than Clerical	953	1,131	865
Clerical and Regulatory	3,298	3,212	3,503
Operational other than General Labour and General Services	2,475	2,429	2,326
General Labour and Trades	3,290	3,384	3,039
General Services	2,750	2,845	2,468
Total	**19,278**	**19,246**	**20,063**

Source: Assistant Deputy Minister Human Resources (Civilian)

Table 11: Summary of Military (Regular Force) FTEs, by Rank

Rank	Actuals 1999–00	Actuals 2000–01	Actuals 2001–02
General, Lieutenant-General / Admiral, Vice-Admiral	10	10	10
Major-General / Rear-Admiral	20	20	19
Brigadier-General / Commodore	47	46	45
Colonel / Captain (Navy)	280	278	299
Lieutenant-Colonel / Commander	955	947	998
Major / Lieutenant-Commander	3,057	3,031	3,099
Captain / Lieutenant (Navy)	6,052	6,000	5,878
Second Lieutenant, Lieutenant / Acting Sub-Lieutenant, Sub-Lieutenant	1,418	1,406	1,478
Officer Cadet / Naval Cadet	1,680	1,666	1,650
Chief Warrant Officer / Chief Petty Officer 1st Class	607	602	626
Master Warrant Officer / Chief Petty Officer 2nd Class	1,716	1,701	1,737
Warrant Officer / Petty Officer 1st Class	3,610	3,579	3,626
Sergeant / Petty Officer 2nd Class	6,741	6,683	6,678
Master Corporal, Corporal / Master Seaman, Leading Seaman	27,784	27,546	26,713
Private, Private Recruit / Able Seaman, Ordinary Seaman	5,382	5,336	6,393
Total	**59,360**	**58,852**	**59,249**

Source: Assistant Deputy Minister Human Resources (Military)

Capital Projects by Capability Program

Table 12: Details of Capital Projects (Equipment) — Spending Over $1 Million ($ millions)

All capital equipment projects fall under the "Generate Forces" capability program; however, to provide a clearer view of the forces generated by capital equipment projects, this list organizes them by the capability program they support. In fiscal 2001–02, overall spending was less than planned, due to the rescheduling of deliveries of some of the major capital projects listed in the table.

Project Number	Project Title	Estimated Total Cost RPP 2001–02	Current Estimated Cost	Previous Expenditures	Planned Expenditures 2001–02	Actual Expenditures 2001–2002
	Capability: Command and Control					
103	Portable Adaptive Test Sets (approved after RPP submission)	—	21,729	—	—	21,729
177	Defence Server Upgrade	7,500	7,510	1,016	2,000	703
295	Aurora Communication Management System Replacement	62,215	88,948	—	5,000	—
318	Aurora Additional Ultra-High-Frequency (UHF) Radio Acquisition	12,293	11,258	—	2,867	451
319	Aurora Acoustic Tape Recorder Project	17,827	16,937	—	2,821	60
1399	North American Air Defence Modernization	1,053,830	1,055,260	1,051,001	1,811	989
421	Aurora — 32-Channel Acoustic System Upgrade (approved after RPP submission)	—	27,000	—	—	8,105
535	High-Speed Data Connectivity (approved after RPP submission)	—	21,729	—	—	4,572
1574	Tactical Command, Control and Communication System	1,927,800	1,927,695	1,768,486	136,588	25,906
1656	Land Forces Command System	171,155	179,945	134,469	21,187	18,594
1772	MARCOM Operational Information Network (MCOIN)	34,400	33,420	31,783	2,876	970
2037	Land Software Engineering Facility	6,586	6,540	5,561	765	960
2040	Search and Rescue Satellite	65,026	65,530	64,711	38	573
2066	Land Tactical Electronic Warfare Improvements	77,197	76,209	75,445	1,069	159
2370	CC–130 — Avionics Update	94,880	88,520	70,919	19,754	6,777

Project Number	Project Title	Estimated Total Cost RPP 2001–02	Current Estimated Cost	Previous Expenditures	Planned Expenditures 2001–02	Actual Expenditures 2001–2002
2371	Advanced Aircraft Navigation System	84,130	79,400	4,438	9,683	8,639
2469	Joint Command, Control and Intelligence System	24,875	30,933	16,502	5,852	3,934
2471	High-Arctic Data Communication System	29,056	30,299	21,196	4,522	5,642
2534	Security and Military Police Information System	8,699	16,525	2,052	7,718	5,791
2499	Junior Officers' Bridge Simulator	16,811	18,705	15,025	1,094	974
2526	Region/Sector Air Operations Centre Project	140,540	90,011	60,689	8,394	2,326
2535	Classified Electronic Key Management System	33,278	39,664	21,165	12,018	14,087
2561	Interim Electronic Warfare Operational Support Centre	20,511	20,382	19,953	449	429
2622	Active Phased-Array Radar	55,740	50,337	48,939	1,544	1,186
2648	Message Handling and Distribution	7,234	7,210	4,484	1,628	25
2650	Leopard Thermal Sight	145,439	138,440	114,149	20,938	11,318
2660	8 Air Communication and Control System	46,541	46,527	5,399	27,577	5,970
2664	Advanced Electro-Optic Sensor	30,804	28,159	25,153	2,301	13
2677	Shipboard Electro-A53 Optic Surveillance	24,462	24,521	—	4,211	743
2681	Remoting of Naval Radio Stations	38,055	42,388	25,491	6,809	15,223
2683	Position Determination and Navigation System	74,363	73,121	63,994	7,789	2,247
2696	Communication — Data Link 16	20,409	20,115	13,297	4,245	9
2697	Communication — Data Link 22	6,834	6,814	6,488	97	197
2770	DWAN Extension and Consolidation	7,846	7,090	5,777	2,000	1,162
2763	Networking COMINT Capability of *Iroquois*- and *Halifax*-class Ships	14,867	14,850	11,196	3,584	2,962
2764	Shipboard Integrated Navigation and Display System	4,622	10,728	4,429	132	4,219
2767	*Iroquois*-Class Track Management System	14,165	13,890	10,398	3,134	1,473

Project Number	Project Title	Estimated Total Cost RPP 2001–02	Current Estimated Cost	Previous Expenditures	Planned Expenditures 2001–02	Actual Expenditures 2001–2002
2773	G2773	24,074	24,582	23,813	15	160
2782	Shipboard Local Area Network	12,535	13,671	187	6,159	2,559
2802	Ultra-High-Frequency (UHF) Military Satellite Communication	7,532	25,189	200	2,371	1,096
2803	Protected Military Satellite Communications	232,565	250,100	2,371	52,034	7,069
3667	Surveillance of Space Project	6,985	6,969	307	3,193	1,453
	Command and Control: Subtotal	**4,663,681**	**4,741,693**	**3,730,483**	**396,267**	**191,454**
	Capability: Conduct Operations					
58	Light Armoured Vehicle Life Extension	53,665	63,440	16,921	14,827	14,985
79	Search and Rescue Repeater Redesign	15,250	15,270	324	5,157	3,261
400	Aircraft Collision Avoidance System (ACAS) — CC–130	24,900	25,550	6,673	9,100	7,109
403	Aurora — Airborne Collision Avoidance System (approved after RPP Submission)	—	15,100	—	—	12,110
583	CF–18 — Modernization	1,079,960	1,080,000	1,346	99,123	231,142
1487	Towed-Array Sonar System	113,650	113,950	105,646	5,592	3,799
1495	Canadian Patrol Frigate	8,999,763	8,950,750	8,856,052	59,779	32,106
1685	Light Support Vehicle Wheeled	268,650	266,682	266,001	2,176	681
1686	CF–18 — Advanced Air-to-Air Weapons (Short-Range)	17,955	18,080	15,413	2,308	2,336
1700	Tribal Class Update and Modernization Program	1,416,758	1,412,235	1,397,807	8,781	6,923
1891	Grenade Projector	13,253	13,100	8,883	2,677	2,017
2028	Short-Range Anti-Armour Weapons	185,984	186,703	177,802	5,907	4,374
2211	CC–130 Hercules Tactical Transport	348,580	349,857	345,629	3,500	3,679
2242	Vessels — Maritime Coastal Defence Vessels	682,615	683,760	642,927	15,004	4,081
2320	Military Automated Air Traffic System	149,362	169,200	74,072	20,168	23,960

Project Number	Project Title	Estimated Total Cost RPP 2001–02	Current Estimated Cost	Previous Expenditures	Planned Expenditures 2001–02	Actual Expenditures 2001–2002
2349	Light Utility Vehicle Wheeled	209,107	219,530	3,163	8,530	2,854
2376	Nuclear Emergency Response Team (NERT)	7,088	7,088	5,943	113	340
2515	Central Power Vehicle	11,230	23,840	2,755	7,012	6,284
2517	Utility Tactical Transport Helicopters	1,163,176	1,164,560	1,010,086	40,605	25,319
0530	Challenger 604 Replacement	—	91,837	—	—	91,837
2530	Strategic Airlift Aircraft	434,645	426,804	426,323	1,488	481
2549	Canadian Submarine Capability Life Extension	811,973	803,490	393,938	135,221	51,383
2551	Phalanx Close-In Weapons System	32,118	31,810	30,819	410	13
2618	Hercules Replacement Acquisition	108,691	104,850	96,028	10,163	8,187
2619	Air Combat Manoeuvring Range Instrumentation	13,834	13,579	12,682	4,701	897
2625	Lynx Replacement Project	884,505	878,647	840,740	37,710	3,472
2637	Armoured Personnel Carriers	2,094,356	2,226,000	1,273,138	355,670	388,159
2640	Evolved Sea Sparrow Missile	480,572	480,090	175,672	42,158	15,885
2644	Advanced Air-to-Surface Missiles	93,837	93,552	91,826	1,191	207
2678	Canadian Search and Rescue Helicopter	765,300	770,310	457,473	264,071	113,860
2680	Maritime Helicopters (Definition)	10,072	70,240	5,631	4,296	13,680
2684	Improved Landmine Detection Capability	31,489	31,110	22,387	7,616	2,978
2694	Heavy Dump-Truck Replacement	11,861	11,552	11,481	80	63
2731	Armoured Personnel Carriers Life Extension	326,129	330,100	76,664	51,285	54,399
2761	Sea Search Project	28,110	27,970	24,577	1,666	683
2779	Sub-Sonic Target	4,595	4,400	4,400	195	—
2780	Towed Torpedo Countermeasures	23,915	23,314	3,155	10,969	2,239

Project Number	Project Title	Estimated Total Cost RPP 2001–02	Current Estimated Cost	Previous Expenditures	Planned Expenditures 2001–02	Actual Expenditures 2001–2002
	Conduct Operations: Subtotal	**20,916,948**	**21,198,350**	**16,884,377**	**1,239,249**	**1,135,786**
	Capability: Generate Forces					
2058	Weapons-Effect Simulation	123,251	122,840	1,721	1,674	691
2237	Naval Combat Trainer	40,075	38,810	22,675	8,304	10,063
2335	Blind Pilotage Trainer	3,844	3,720	3,634	161	86
2624	Unit Weapons Trainers	38,839	56,146	25,948	11,282	11,786
	Generate Forces: Subtotal	**206,009**	**221,516**	**53,978**	**21,421**	**22,626**
	Capability: Sustain Forces					
1947	CF Supply System Upgrade	304,100	304,063	257,366	27,884	16,964
1981	Central Computation Pay System	36,251	35,925	35,746	179	—
0435	Information Exchange Initiative	—	8,785	—	—	8,785
439	Smallpox Vaccine	—	14,551	—	—	14,551
2185	Quality Assurance Management Information System	6,918	6,918	6,853	43	—
2199	Nuclear Detection, Identification and Dosimetry	15,470	16,040	1,407	8,715	5,789
2272	Materiel Acquisition Supply Information System	81,920	80,270	43,119	34,884	28,453
2337	Surface Munitions Clearance Device	5,732	5,620	5,191	228	134
2400	Defence Integrated Human Resources	59,640	55,235	33,563	15,759	8,672
2475	Defence Message Handling System	130,486	117,823	38,717	37,022	29,759
2536	Role Three Health Support	40,425	40,428	2,443	13,911	13,798
2700	Financial Managerial Accounting Project	21,573	21,590	17,048	4,340	231
2564	CF–18 — Electronic Warfare Operation Support Centre (EWOSC) Integrated Support Station	6,562	6,386	5,384	336	374
2573	Pollution Control Systems for Ships	39,547	40,496	28,380	4,965	3,005

Project Number	Project Title	Estimated Total Cost RPP 2001–02	Current Estimated Cost	Previous Expenditures	Planned Expenditures 2001–02	Actual Expenditures 2001–2002
2668	Ionizing Radiation Safety	6,114	5,316	5,045	272	271
2758	Relocatable Temporary Camp	9,874	9,870	1,580	4,463	1,602
2771	Defence Virtual Private Network Infrastructure	15,422	4,745	237	8,542	2,986
2800	Canadian Forces Health Information System	4,645	4,650	44	4,447	201
2755	Air Force Environmental Clothing Standardization	10,745	10,700	6,492	3,440	2,392
2799	Navy Winter Parka	3,563	3,305	1,474	1,228	1,831
XXXX	Clothe The Soldier — Omnibus Project	168,466	262,760	77,614	44,179	37,415
	Sustain Forces: Subtotal	**967,453**	**1,055,476**	**567,703**	**214,837**	**177,213**
	All Capabilities: Total	**26,754,091**	**27,217,035**	**21,236,541**	**1,871,774**	**1,527,079**

EXPENDITURES BY CAPABILITY PROGRAM (as %)

2% 11%   12%

75%

- COMMAND AND CONTROL
- CONDUCT OPERATIONS
- GENERATE FORCES
- SUSTAIN FORCES
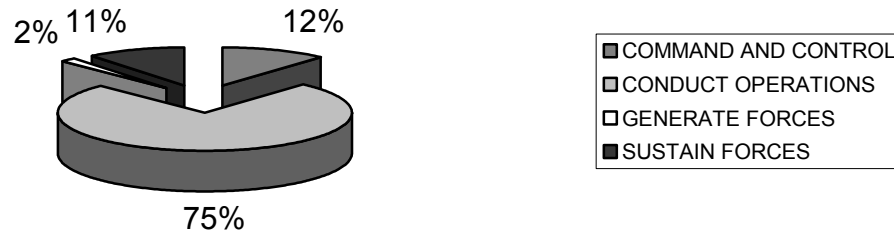
Table 13: Details of Capital Projects (Construction) — Spending Over $1 Million ($ millions)

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000365	Reconstruct Infrastructure / Runway 11–29	Bagotville	2.16	—	2.09	0.19	0.07
00000377	Replace 3 Wing Hospital	Bagotville	1.74	—	1.74	—	—
00000374	Replace Municipal Infrastructure	Bagotville	6.06	—	6.06	—	—
00000127	Resurface Taxiway 11-29 and Replace Panel	Bagotville	1.49	—	1.49	0.13	0.01
00000147	Reconstruct Electrical System	Bagotville	3.28	0.20	—	1.54	3.20
00000149	Replace Lights 18-36 and Approaches	Bagotville	1.47	—	1.46	0.15	0.01
00000207	Reconstruct Section of Tarmac	Bagotville	1.54	—	1.49	0.05	0.04
00004001	New Control Tower	Bagotville	7.76	0.40	5.02	4.91	2.34
00000228	Construct Trainee Quarters	Borden	16.00	—	16.00	—	—
00000024	New Gym	Borden	6.00	6.00	—	—	—
00004537	CF School of Electrical and Mechanical Engineering: Materiel Training Building	Borden	10.00	—	10.00	—	—
00004594-11	Close Jericho Beach	Chilliwack	3.00	—	3.00	3.00	—
00000366	Construct Addition to Mag-X Area	Cold Lake	1.15	—	1.15	0.10	—
00000368	Construct Addition to Wing HQ	Cold Lake	1.76	—	1.76	—	—
00000376	Construct Air Movements Facility	Cold Lake	1.60	—	1.49	0.11	—
00000364	Construct Extension to B177	Cold Lake	3.61	—	3.60	0.31	0.01
00000370	Construct New Chapel Complex	Cold Lake	2.18	—	2.18	—	—
00000408	Renovate Barrack Block 43	Cold Lake	2.76	—	2.76	2.76	—

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000107	Upgrade Power Grid, Cold Lake Air Weapons Range	Cold Lake	1.90	0.21	1.69	1.90	—
00000108	New Military Police Facility	Cold Lake	2.08	0.15	1.93	1.93	—
00000109	Upgrade Primrose Lake Evaluation Range Facility	Cold Lake	3.66	0.29	2.68	1.72	0.69
00000111	Upgrade Medley Terminal Ramp	Cold Lake	1.25	—	1.25	0.10	—
00000122	Upgrade Utilities — PMQ Areas	Cold Lake	8.40	1.50	6.90	—	—
00000123	New Refuelling-Tender Garage	Cold Lake	3.75	—	1.39	3.47	2.36
00000128	Rehab Runway 13L–31L, Taxiways and Replace Concrete Slabs at 13L Button	Cold Lake	1.84	—	1.84	0.15	—
00000146	Upgrade Approach Lighting	Cold Lake	2.19	—	2.12	0.10	0.07
00000150	Rehab Runway 4-22 and Taxiways	Cold Lake	3.85	—	3.77	0.13	0.07
00000206	Rehab Runway 13L–31R, Taxiways and Replace Concrete Slabs at 13L Button	Cold Lake	3.78	—	3.78	0.13	—
00000210	Construct New Barrack Block	Cold Lake	5.98	—	5.98	—	—
00004003	Replace Sanitary and Storm Sewers, Upgrade Roads	Cold Lake	13.16	1.05	12.11	4.77	—
00004004	Replace Hangar 1 Doors	Cold Lake	7.60	7.40	—	—	0.20
00004479	Aerospace Engineering Test Establishment: Engineering Facility	Cold Lake	23.05	21.05	1.49	2.00	0.51
00004539	Base Electrical and Mechanical Engineering Facility	Cold Lake	7.00	6.50	0.34	0.50	0.16
00000378	Reconstruct Apron H3 and H7	Comox	1.56	—	1.11	—	0.45
00000359	Retrofit Airfield Lighting Structure	Comox	1.97	—	1.97	0.15	—
00000120	Hangar 7 Mid-Life Retrofit	Comox	6.14	—	6.14	—	—

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000135	Construct MIR / Dental Clinic	Comox	4.40	—	4.40	—	—
00000139	Retrofit B105 Combined Kitchen and Mess	Comox	4.89	—	4.89	—	—
00000141	Runway 18–36 Overlay	Comox	2.62	—	2.62	—	—
00000152	Wing Ground and Air Training Building	Comox	4.26	—	4.26	—	—
00000155	Upgrade POL Jetty	Comox	1.63	—	1.63	—	—
00000196	Hangar Extension 422 Squadron Fixed Wing	Comox	8.77	0.10	2.15	6.52	0.07
00000208	Reconstruct 11 End Hammerhead	Comox	3.75	0.21	3.07	3.54	0.46
00000209	Upgrade Airfield Lights 11/29 and Replace Simplified Short-Approach Lighting Runway	Comox	3.15	0.15	2.89	1.99	0.10
00000129	Replace Water and Sewer Distribution Lines	Dundurn	2.89	—	2.89	0.21	—
00000341	Storm Sewer System	Edmonton	2.48	—	2.48	2.48	—
00000051	Renovate Arena	Edmonton	1.40	0.02	—	1.38	1.38
00000105	Land Forces Western Area HQ	Edmonton	5.75	0.30	5.45	0.30	—
00000106	Relocate Minor Units	Edmonton	2.50	—	2.50	0.25	—
00000267	408 Squadron Hangar	Edmonton	27.00	7.15	4.04	13.00	15.81
00004594-33	Range and Training Area Facilities	Edmonton	8.00	7.82	0.12	0.06	0.06
00004591-12	Area Support Group Consolidation	Edmonton	15.54	10.99	4.54	4.55	0.01
00004607	Service Detention Barracks	Edmonton	4.82	2.45	1.00	2.37	1.37
00000353	Consolidate NCM Training Facility	Esquimalt	16.00	—	16.00	—	—
00000350	Construct BOTC Facility	Esquimalt	2.15	—	2.15	—	—
00000349	Construct Fire Suppression System	Esquimalt	4.50	—	4.00	—	0.50

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000382	Construct Language Training Facility	Esquimalt	6.35	—	6.35	—	—
00000347	Replace A Jetty	Esquimalt	25.00	—	25.00	—	—
00000352	Replace Dockyard Fire Hall	Esquimalt	3.02	—	3.02	—	—
00000348	Seismic Upgrades	Esquimalt	4.20	—	4.00	0.20	0.20
00000027	Renovate Pool / Gym	Esquimalt	3.25	0.10	3.15	3.15	—
00000082	MARPAC HQ Consolidation	Esquimalt	7.65	4.85	0.88	0.90	1.92
00000215	*Victoria*-Class Berthing	Esquimalt	2.00	0.10	1.72	1.90	0.18
00000216	*Victoria*-Class Shore Accommodations	Esquimalt	2.00	0.20	—	1.80	2.11
00000219	Consolidate Fleet Diving Unit (Pacific)	Esquimalt	5.00	—	5.00	—	—
00000221	Replace B Jetty	Esquimalt	28.08	0.28	27.60	2.00	0.20
00000264	Construct Junior NCM Single Quarters	Esquimalt	10.10	0.20	9.90	4.00	—
00000385	Nanaimo Reserve Accommodation	Esquimalt	2.40	—	2.40	1.75	—
00000509	Staff Accommodation, Cadet Summer Training Centre Albert Head	Esquimalt	1.50	—	0.86	—	0.64
00004360-99	Fleet Maintenance Facility *Cape Breton*	Esquimalt	91.88	13.43	70.45	8.30	5.51
00004355	Office Accommodation	Esquimalt	14.68	—	—	—	—
00004355	Officer Accommodations	Esquimalt	14.68	14.18	0.50	0.50	—
00004451	Refuelling Facility Upgrade	Esquimalt	43.25	6.00	27.94	24.00	9.31
00004542	Colwood Hazardous Materials Storage	Esquimalt	4.96	0.26	4.60	0.40	0.10
00004543	Firefighting Trainer / Smoke Abatement	Esquimalt	19.16	18.45	0.49	0.71	0.22
00004544	*Venture* Naval Officer Training Centre Facilities	Esquimalt	9.15	4.15	4.79	5.00	0.21

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000013	Gym Addition 1	Gagetown	10.89	4.00	6.89	6.98	—
00000258	Renovate Tank Hangar, K-17	Gagetown	3.25	—	3.22	0.15	0.03
00000261	Upgrade Bivouac	Gagetown	2.00	—	2.00	—	—
00000344	Range and Training Area: Sedimentation Remediation	Gagetown	108.36	—	107.36	1.00	1.00
00000455	Construct Single Quarters	Gagetown	40.00	—	40.00	—	—
00004403	Camp Petersville	Gagetown	12.80	0.50	12.30	—	—
00004598	2 RCR Facility	Gagetown	40.70	0.50	40.01	2.50	0.19
00004601	4 Engineer Support Regiment Facility	Gagetown	17.14	0.14	17.00	—	—
00004605	Kitchen and Dining Facilities	Gagetown	24.40	14.90	7.27	9.43	2.23
00000371	Construct Multi-Purpose Complex	Gander	5.47	—	5.47	—	—
00000373	Consolidate Wing Logistics Infrastructure	Greenwood	27.86	—	27.86	—	—
00000372	Construct New Training Facility	Greenwood	3.41	—	3.41	—	—
00000375	Hangar 9 Periodic Recap	Greenwood	2.17	—	2.17	—	—
00000096	Connect Domestic System to Central Heating Plant 2	Greenwood	9.70	0.10	9.16	0.40	0.44
00000115	Replace Operations-side Steam System	Greenwood	2.32	2.02	0.30	0.30	—
00000119	Resurface Runway 13/31	Greenwood	5.50	0.15	0.13	5.35	5.22
00000125	Hangar 11 Mid-Life Recap	Greenwood	8.87	0.62	6.82	4.17	1.44
00000148	Hangar 10 Mid-Life Recap	Greenwood	4.90	—	4.85	—	0.04
00000153	Reconstruct Ward Road	Greenwood	2.50	—	1.68	2.50	0.82
00000158	Construct New Transit Facility	Greenwood	5.98	—	5.98	—	—

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00004000	Resurface Runway 08/26	Greenwood	17.30	13.00	0.38	4.33	3.92
00000381	Consolidate Transport, Electrical and Mechanical Engineering / 35 Service Bn	Halifax	9.00	—	9.00	—	—
	DREA Upgrade Building 4	Halifax	1.78	—	1.78	0.28	—
00000016	Community Centre	Halifax	4.60	0.13	4.47	4.47	—
00000165	*Victoria* Trainers	Halifax	4.80	0.52	1.23	4.28	3.05
00000217	Ammunition Transit Facility	Halifax	3.00	—	2.66	0.30	0.34
00000218	Ammunition Maintenance Facility	Halifax	3.00	0.10	2.54	1.20	0.36
00000222	Replace Ammunition Storage Facility Heating	Halifax	11.00	—	11.00	—	—
00000265	Replace Chief Petty Officers' Mess and Quarters	Halifax	13.04	0.29	12.11	0.75	0.64
00000424	DREA Dockyard Laboratory Facility	Halifax	3.00	—	2.41	0.40	0.59
00004196	Ship Repair Unit Atlantic: Electrical Repair Facility	Halifax	22.00	3.00	3.82	17.00	15.18
00004230	Upgrade Jetties NJ and NK	Halifax	38.19	0.19	37.55	1.00	0.45
00004289	Main Base Supply	Halifax	42.61	42.11	0.19	0.50	0.32
00004550	Construct Shipboard Firefighting Trainer	Halifax	15.25	15.00	—	0.25	0.81
00000283	National Military Support Capability	Kingston	28.62	—	26.73	2.55	1.89
00000411	RMC Quarters Recap	Kingston	34.72	—	34.19	6.52	0.53
00000018	Military Community Sports Complex	Kingston	8.58	7.93	0.65	0.65	—
00000018	Sports and Fitness Complex	Kingston	7.31	6.76	—	0.55	3.12
00000029	Community Centre1	Kingston	2.35	0.36	1.96	2.00	0.03

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000232	Medical / Dental Facility	Kingston	4.70	—	4.70	0.40	—
00000234	Construct CFSCE Line Training Facility	Kingston	1.20	—	1.20	—	—
00000236	Replace Base Steam Lines	Kingston	2.80	—	2.80	—	—
00000285	Construct Base Security Facility	Kingston	2.42	1.30	1.12	1.12	—
00000327	Sawyer Building RMC	Kingston	2.62	0.60	0.30	1.20	1.72
00000384	Army Simulation Centre	Kingston	6.55	—	6.44	0.10	0.11
00000427	Renovate Ridout Row	Kingston	7.78	—	7.78	0.34	—
00002001	Joint Headquarters	Kingston	17.00	0.90	15.22	8.00	0.88
00004618	Construct RMC Dormitory	Kingston	11.83	11.83	—	—	—
00000354	Replace HMCS *Hunter*	London	6.00	—	5.15	—	0.85
00000230	Garage, CFRB Hamilton	London	1.36	0.06	1.30	1.31	—
00000233	Replace Simcoe Armoury	London	1.52	—	—	2.00	1.75
00000237	Windsor Armoury / HMCS *Hunter*	London	9.60	—	9.59	1.00	0.01
00004586	Close CFB London	London	33.74	0.06	33.68	15.00	—
00000413	Construct Drill Hall — St-Jean	Montréal	4.20	—	4.20	1.20	—
00000412	Renovate Classroom / Offices — St-Jean	Montréal	4.58	—	0.56	4.58	4.02
00000325	Replace Electrical System Contacts Megaplex — St-Jean	Montréal	3.90	—	3.90	0.30	—
00000043	Longue-Pointe Fitness Centre	Montréal	3.88	0.10	3.52	3.95	0.26
00000166	HMCS *Donnacona*	Montréal	7.00	4.00	2.60	3.00	0.40
00000238	Replace Megaplex alarm system — St-Jean	Montréal	2.00	—	2.00	0.15	—

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000311	4 Classroom Complexes—Farnham	Montréal	7.60	—	7.51	0.50	0.09
00004571-33	Farnham Range — St-Jean	Montréal	11.38	10.38	0.87	1.00	0.13
	NATO Flying Training in Canada — Trainee Accommodation	Moose Jaw	10.00	0.30	—	9.70	—
00000355	Renovate Recreation Centre — North Bay	North Bay	1.97	—	1.84	0.26	0.12
00000241	Replace Sudbury Armoury	North Bay	2.30	—	2.30	—	—
00002526	Regional Operations Control Centre: replacement of Air Defence Control System	North Bay	21.00	—	20.74	1.00	0.26
	CF Intelligence, Surveillance and Reconnaissance	Ottawa	50.00	—	50.00	5.00	—
	CF Joint Experimental Centre	Ottawa	11.00	—	11.00	1.00	—
00000291	New Water and Sewer System CFSU(O)	Ottawa	4.71	0.64	3.95	4.07	0.12
00000292	Kitchen — Connaught Range	Ottawa	6.26	—	6.25	0.06	0.01
00000401	DREO Laboratory Facilities	Ottawa	7.30	—	7.30	0.80	—
0000446	Security Upgrade Project Dwyer Hill	Ottawa	4.75	—	3.65	1.00	1.10
00000242	RCD — Construct Coyote Squadron Facility	Petawawa	2.10	—	2.10	—	—
00000243	RCD — Upgrade HQ Squadron Facilities	Petawawa	1.83	—	1.83	—	—
00000244	Construct Vehicle Wash Rack	Petawawa	3.80	—	3.80	—	—
00000268	Municipal Services	Petawawa	15.39	—	15.39	2.36	—
00002536	1 Field Hospital	Petawawa	9.52	7.12	—	2.40	10.25
00004208	2 Signals Squadron Facility	Petawawa	24.18	1.28	22.84	0.10	0.06
00004365	2 Field Ambulance Facility	Petawawa	8.84	8.74	—	0.04	0.06

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00004366	2 Service Battalion Facility	Petawawa	26.04	0.10	25.94	0.28	—
00000004	2 PPCLI Facilities	Shilo	51.43	—	51.32	—	0.11
00000032	Community Centre	Shilo	1.00	0.05	0.95	—	—
00000251	Medical / Dental Facility	Shilo	4.65	0.10	4.45	0.08	0.10
00000253	Relocate RCA Museum	Shilo	2.50	—	2.50	0.25	—
00004443-12	HMCS *Cabot*	St. John's	15.04	14.54	0.45	0.50	0.06
00000200	Consolidate DRES	Suffield	5.30	5.20	0.10	0.10	—
00000050	Fitness Centre / Pool — Meaford	Toronto	2.60	0.16	1.07	2.44	1.37
00000260	South Side Expansion Canadian Forces College	Toronto	4.80	0.20	—	4.53	5.06
00004573	Toronto Consolidation	Toronto	8.40	1.00	1.94	2.20	5.46
00004573-00	Toronto Consolidation	Toronto	40.90	7.50	6.85	26.60	26.55
00000399	Construct Central Medical Equipment Depot Detachment	Trenton	1.60	—	1.60	—	—
00000398	Construct RCAF Memorial Museum	Trenton	4.50	—	—	4.50	—
00000361	Construct Second Wing Accommodation Facility	Trenton	4.09	—	2.18	4.09	1.91
00000360	Rehab Airfield Drainage	Trenton	3.58	—	2.28	3.58	1.30
00000363	Upgrade Fire-Suppression System Hangar 10	Trenton	4.70	—	4.70	0.10	—
00000145	Resurface Taxiway PAPA	Trenton	1.64	—	0.30	1.64	1.34
00000156	Mid-Life Upgrade to Hangar 10	Trenton	4.90	—	4.86	0.41	0.04
00000205	Construct Wing Accommodation Facility	Trenton	4.23	3.65	0.58	0.58	—
00004579-99	Relocate Canadian Parachute Centre	Trenton	15.10	14.75	0.06	0.35	0.29

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000324	Construct New Ammunition Site	Valcartier	9.65	—	9.65	—	—
00000395	Fusiliers St-Laurent	Valcartier	1.66	0.50	1.13	0.75	0.03
00000323	Reinforce walls of the Citadel (Québec)	Valcartier	2.40	—	0.19	1.20	2.21
64	Reconstruct the Citadel (Québec)	Valcartier	17.60	—	16.97	0.63	—
00000201	Reinforce structures with flat roofs	Valcartier	11.20	0.40	10.80	1.50	—
00000245	Reconstruct Drill Hall electrical system, sprinklers	Valcartier	2.00	—	2.00	0.15	—
00000247	Replace steam system — Phase 8 of 8	Valcartier	1.95	—	1.95	1.95	—
00000248	Accommodations for 5 CMBG	Valcartier	43.00	—	42.63	2.00	0.37
00004470	Shawinigan Armoury	Valcartier	26.90	3.80	22.22	1.11	0.88
00004599	5 Service Battalion	Valcartier	28.59	24.63	2.03	3.21	1.93
00000407	Revamp Cadet Summer Training Centres	Various	25.00	—	18.86	5.00	6.14
00002678	Combat Support Helicopter — Canadian Search and Rescue Helicopter	Various	18.16	3.07	11.67	13.15	3.42
00000334	Earth-Covered Bar-7 Igloos	Wainwright	6.50	—	6.50	—	—
00000340	Modernization Land Forces Western Area Training Centre	Wainwright	4.76	—	4.76	1.39	—
00000337	Structural Repairs Building B591, B592	Wainwright	1.00	—	0.91	0.09	—
00000023	Renovate Gym	Wainwright	2.30	0.23	—	2.07	2.07
00000252	Medical / Dental Facility	Wainwright	3.89	0.23	0.95	2.27	2.71
00000332	Extension to Building 562	Wainwright	1.10	—	1.10	0.10	—
00000333	Western Area Training Centre HQ	Wainwright	2.65	—	2.65	—	—

FMAS Number	Project Title	Base	Total Project Amount	Previous Expenditures	Planned Future	Planned Expenditures 2001–02	Actual Expenditures 2001–02
00000335	Officer / Senior NCO Quarters	Wainwright	4.20	—	4.20	—	—
010000254	Ammunition Transit Building Workshop	Wainwright	1.50	0.15	1.35	1.35	—
00000356	Consolidate 17 Wing Messes	Winnipeg	2.90	—	2.68	0.20	0.23
00000357	Decommission ASD — Aviation Petroleum Products	Winnipeg	2.34	—	2.34	—	—
00000367	Long-Term Ramp Repairs	Winnipeg	2.09	—	2.09	0.21	—
00000358	Renovate B66 for Training and Conference Centre	Winnipeg	2.13	—	2.13	—	—
00000097	Replace Curtain Wall — B25	Winnipeg	3.64	0.08	3.56	3.56	—
00000132	Roads Upgrade Phase IV, V and VI	Winnipeg	1.84	0.05	1.79	1.84	—
00000214	Relocate 2 PPCLI to 17 Wing	Winnipeg	75.50	0.50	75.00	—	—
	Total		**2,056.21**	**377.52**	**1,454.94**	**397.55**	**179.75**

Part VI: Other Information

International Operations

In addition to *Operation APOLLO* (see "Conduct Operations" on page 7), the CF continued to make a difference worldwide by undertaking, maintaining, or concluding missions across several continents.

CF Missions to Europe

NATO Stabilization Force — *Operation PALLADIUM*

With a mandate to deter hostilities, establish a secure environment, and monitor the peace in Bosnia-Herzegovina, the Canadian contingent of approximately 1,600 CF personnel consists of National Command and National Support elements, a battle group, an artillery battery and a helicopter detachment. Canada also provides staff officers to headquarters located throughout Bosnia-Herzegovina. In 2002, the reduction of the Canadian contingent will mean the withdrawal of the artillery battery and one infantry company.

NATO Air Campaign — *Operation IMAGE*

After September 2001, when Canada reduced its contribution to three staff officers, this mission saw a phased reduction in deployed personnel, and the last Canadian had returned home by June 30, 2002. Canada is still committed to this mission, with personnel on 20 days' notice to deploy.

NATO Standing Naval Force Atlantic (STANAVFORLANT)

The CF maintains one ship with the NATO Immediate-Reaction Naval Force, commonly called the Standing Naval Force Atlantic or STANAVFORLANT. During fiscal 2001–02, HMC Ships *Halifax*, *Fredericton* and *Toronto* deployed with the STANAVFORLANT.

United Nations Mission in Bosnia-Herzegovina

The mandate of this mission is to maintain a diplomatic presence, co-ordinate the humanitarian activities of the United Nations High Commissioner for Refugees (UNHCR), and create and monitor an international police force dedicated to the implementation of aspects of the Dayton Peace Accords. The CF contributes one senior staff officer to the UN Co-ordinator for Bosnia-Herzegovina.

NATO Mission to the Former Yugoslav Republic of Macedonia — *Operation FORAGE*

On July 23, 2001, three CF personnel deployed to the Former Yugoslav Republic of Macedonia (FYROM) as augmentees to the headquarters of NATO's *Operation ESSENTIAL HARVEST*. In August 2001, Canada increased this contribution for 30 days with the deployment of the Theatre Activation Team and an armoured reconnaissance squadron group. The objective of *Operation FORAGE* was to create an environment in which it would be possible to collect weapons from

factions fighting in FYROM and Albania. Following the 30 days of *Op FORAGE*, the Canadian troops were redeployed, leaving one officer to serve with the follow-on NATO mission, *Operation AMBER FOX*. This contribution will be maintained until September 2002.

United National Mission in Kosovo (UNMIK) — *Operation QUADRANT* (Kosovo)

The mandate of UNMIK is to establish a civilian presence in Kosovo and develop an interim civilian administration to take over from the NATO Kosovo Force (KFOR). The CF provides one officer who is currently tasked with co-ordinating UN Military Observer operations in the Pristina area. This operation is scheduled to be closed out in August 2002.

Ammunition Management and Ordnance Disposal Advisory Training Team (AMODATT) Leader in Albania – *Operation QUADRANT* (Albania)

The mandate of the AMODATT was to advise the Albanian Ministry of Defence on explosive ordnance disposal and ammunition storage. The CF provided one Ammunition Technical Officer as Team Leader during its first year, and a follow-on team of one officer and one senior NCM for six months. The CF participation in AMODATT was co-funded by CIDA and DND. After the two CF ammunition experts had deployed, a decision was reached to close out the AMODATT portion of *Op QUADRANT*.

CF Missions to the Middle East

United Nations Disengagement Observer Force (UNDOF) — *Operation DANACA*

The mandate of UNDOF is to supervise the cease-fire between Israel and Syria, to supervise the redeployment of Israeli and Syrian forces, and to establish an area of separation according to the disengagement agreement. Canada contributes 191 CF personnel to provide supply, transport, maintenance, and communications services.

United National Peacekeeping Force in Cyprus (UNFICYP) — *Operation SNOWGOOSE*

The mandate of UNFICYP is to maintain the cease-fire between the Greek and Turkish portions of the island of Cyprus, and to help restore normal conditions. The CF contributes one staff officer to UNFICYP Headquarters.

Multinational Force and Observers — *Operation CALUMET*

The mandate of this non-UN mission is to supervise compliance with the peace treaty between Israel and Egypt in accordance with the Camp David Accords. The CF contributes the Force Commander, the Force Sergeant Major and 28 personnel to the headquarters staff.

United National Truce Supervision Organization (UNTSO) — *Operation JADE*

The mandate of UNTSO is to provide Military Observers to supervise the cease-fire ordered by the UN Security Council and to help the parties comply with the terms of the General Armistice Agreement concluded separately between Israel, Egypt, Lebanon, Jordan, and Syria. The CF provides seven officers, who are assigned to the Golan Heights, South Lebanon and the Sinai.

CF Missions to the Arabian Gulf and Asia

Maritime Interdiction Operations in the Arabian Gulf — *Operation AUGMENTATION*

Maritime interdiction operations (MIOs) were established in the Arabian Gulf to monitor and enforce the sanctions ordered by UN Security Council Resolution against the import and export of commodities, including oil, to and from Iraq. Canadian warships have participated since 1991; in fiscal 2001–02, the Canadian ships conducting MIOs in the Arabian Gulf were HMCS *Charlottetown*, which deployed in January 2001 with the USS *Harry S. Truman* Battle Group, and HMCS *Winnipeg*, which sailed in March 2001 to join the USS *Constellation* Carrier Battle Group. In August 2001, Canadian ships ceased participation in MIOs off the coast of Iraq.

United Nations Transitional Administration in East Timor (UNTAET) — *Operation TOUCAN*

An international force was established in September 1999 to restore peace and order in East Timor following severe violence precipitated by a vote to secede from Indonesia. Canada contributed more than 600 CF personnel to this Australian-led multinational force; this phase of the mandate completed, the Canadian contingent returned home in February 2000. As the follow-on to the international force, UNTAET was established to administer the territory of East Timor and to exercise legislative and executive authority during the transition period. Between March 2000 and May 2001, when Canadian involvement ended, the CF contributed three officers to UNTAET Headquarters.

United National Iraq-Kuwait Observation Mission (UNIKOM) — *Operation RECORD*

The mandate of UNIKOM is to monitor the Khor Abdullah Waterway and the demilitarized zone between Iraq and Kuwait to deter violations of the boundary and to observe any inter-state hostilities. From 2000 to August 15, 2001, when Canadian involvement ended, the CF provided six officers to serve as UN Military Observers and as headquarters staff, including the rotational position of Commander, UNIKOM Northern Sector.

CF Missions to Africa

United Nations Mission in Sierra Leone (UNAMSIL) — *Operation REPTILE*

The mandate of UNAMSIL is to co-operate with the Government of Sierra Leone and the other parties to the peace agreement that ended hostilities in that country, to help the parties implement

that agreement, and to help the Government of Sierra Leone implement the terms of the agreement that cover the disarmament, demobilization and reintegration of combatant forces. The CF provides UNAMSIL with five officers who serve as UN Military Observers.

International Military Advisory and Training Team (IMATT) Sierra Leone — *Operation SCULPTURE*

The mandate of the IMATT Sierra Leone, a mission led by the United Kingdom, is to provide advice and training to help the government of the Republic of Sierra Leone build new, effective armed forces. The CF contributes 10 personnel to IMATT Sierra Leone.

United Nations Observer Mission in the Democratic Republic of the Congo (MONUC) — *Operation CROCODILE*

The UN has yet to render a final decision on the mandate for the UN Military Observers and the protection force serving with MONUC. In the interim, two CF personnel fill the positions of Deputy Chief of Staff Operations and Staff Officer Operations and Plans at the Advanced UN Military Headquarters in Kinshasa, Democratic Republic of Congo.

CARE Canada Inter-Agency Exchange — *Operation CONNECTION*

As part of the expansion of inter-agency co-operation between the DND and non-governmental organizations, an employee of CARE Canada worked part-time at DND, and a CF nursing officer was attached to CARE Canada in November 2000. She deployed to Siaya, Kenya, in January 2001 and returned to Canada in June 2001.

United Nations Mission in Ethiopia and Eritrea (UNMEE) — *Operation ADDITION*

The mandate of UNMEE is to supervise the cease-fire between Ethiopia and Eritrea, to monitor the redeployment of Ethiopian and Eritrean forces, and to deploy UN Military Observers in the Temporary Security Zone. The CF provides five UN Military Observers and a senior staff officer at UNMEE Headquarters in Asmara, Eritrea, co-ordinating the work of the mission's Military Observers.

United Nations Mission in Ethiopia and Eritrea (UNMEE) — *Operation ECLIPSE*

In December 2000, when UNMEE's mandate began, the UN Stand-by High Readiness Brigade deployed a combined Netherlands-Canadian battalion to help establish the mission. The Canadian contribution, which was maintained for six months, was a 450-strong "company group" (comprising H Company of The Royal Canadian Regiment, plus an armoured reconnaissance troop from The Royal Canadian Dragoons, a troop of field engineers from 4 Combat Engineer Regiment, and a combat service support platoon) assigned with a battalion of Royal Dutch Marines to Sector Centre of the Temporary Security Zone between Ethiopia and Eritrea. The H Company Group deployed in December 2000 and returned to Canada in June 2001.

CF Missions to Central America and the Caribbean

Department of Foreign Affairs and International Trade in Haiti — *Operation HUMBLE*

The CF provided technicians to maintain critical infrastructure at the Canadian Embassy in Port-au-Prince, Haiti. This tasking was completed in May 2001.

Recognizing Individual and Team Achievements

The following honours and awards were announced during 2001. The recipients are listed by the rank they held at the time their honour or award was recommended.

Internal Awards

Commander of the Order of Military Merit

Rear-Admiral G.V. Davidson
Major-General J.S. Lucas

Rear-Admiral M.B. MacLean
Major-General H.C. Ross

Officer of the Order of Military Merit

Colonel R.G.R. Alward
Colonel W.N. Brough
Colonel T.K.D. Geburt
Colonel A.R. Halfper
Colonel P.J. Holt
Colonel J.A.R.S. Lescoutre
Captain (Navy) D.S. MacKay
Colonel G.W. Nordick
Colonel I.C. Poulter
Colonel J.J. Selbie
Colonel W.A. Watt
Lieutenant-Colonel W.J. Blondon
Lieutenant-Colonel J.J. Bouchard
Lieutenant-Colonel F.M.T. Bouchard

Commander P.T.E. Finn
Lieutenant-Colonel R.F. Gilbey
Lieutenant-Colonel J.H. Hoekstra
Lieutenant-Colonel B. Horn
Lieutenant-Colonel D.S.C. Mackay
Lieutenant-Colonel T.F. McGrath
Lieutenant-Colonel J.J. McManus
Commander A.M. Smith
Major D.A. Craig
Major D.J. Feltmate
Major W.W. Fuller
Major H.G. MacNeil
Major O.B. March

Member of the Order of Military Merit

Captain W.P.R. Gillie
Captain T.R. Gushue
Captain R.J. Melanson
Captain A. Noseworthy
Captain P.T. Scott
Chief Warrant Officer F.J.O. Baillargeon
Chief Petty Officer 1st Class P.J. Barefoot
Chief Warrant Officer J.J.C.S. Bergeron
Chief Warrant Officer J.F. Boland
Chief Warrant Officer J.M. Côté

Chief Warrant Officer J.R. Senechal
Chief Warrant Officer W.P.R. Spring
Chief Warrant Officer B.J.J. Tremblay
Chief Petty Officer 2nd Class J.R. Bacon
Master Warrant Officer D.D. Bannerman
Master Warrant Officer J.G.A.M. Bolduc
Chief Petty Officer 2nd Class H.M. Bullen
Master Warrant Officer A.R. Chase
Master Warrant Officer J.J. Guillemette
Chief Petty Officer 2nd Class A.R. Hauck

Member of the Order of Military Merit

Chief Warrant Officer J. Cozak
Chief Petty Officer 1st Class K.E. Davis
Chief Warrant Officer J.L.M. Delage
Chief Warrant Officer M. Dufort
Chief Warrant Officer J.G.R.F. Emond
Chief Warrant Officer L.C. Foote
Chief Warrant Officer W.A. Ford
Chief Warrant Officer A. Gingras
Chief Warrant Officer A.G. Gosse
Chief Warrant Officer J.R.D. Houde
Chief Petty Officer 1st Class S.J.M. Joncas
Chief Warrant Officer R.G. Lacroix
Chief Petty Officer 1st Class C.A. Martin
Chief Warrant Officer D.J. McLaren
Chief Warrant Officer J.G.A.C. Ostiguy
Chief Petty Officer 1st Class V.C.E. Phillips
Chief Warrant Officer N. Pryce
Chief Warrant Officer D.H. Robinson
Chief Warrant Officer J.B. Roby

Master Warrant Officer J.M. Jardine
Master Warrant Officer J.E. LeClair
Master Warrant Officer N.J. Lizotte
Master Warrant Officer J.G.J.P. Marchand
Master Warrant Officer D.J. Noyes
Master Warrant Officer M.D. Saulnier
Master Warrant Officer I.J.M. Schoots
Master Warrant Officer D.I. Snow
Master Warrant Officer G.D. Walker
Warrant Officer J.C. Baker
Warrant Officer S.A. Blair
Warrant Officer B.P. Budd
Warrant Officer S.L. Gosling
Warrant Officer C.O.F. Octeau
Warrant Officer J.D.A. Pilote
Petty Officer 1st Class W.T. Pratt
Warrant Officer M.A. Reeves
Sergeant J.W. McCaffrey

Star of Courage

Sergeant H.A. Thomas
Sergeant P.C. Trevor
Master Corporal F.D. Williams

Medal of Bravery

Captain J.F.D. Couture
Sergeant B. Doyle
Sergeant E.J.H. Larouche
Sergeant J. Mitchell
Sergeant K.J. Power
Master Corporal W.L. Simpson

Master Corporal S.J.R. Trudel
Corporal R.S. Dorie
Corporal L.D. Gagnon
Corporal C.W. Galbraith
Corporal L.G. Turpin
Private J.K.R. George

Meritorious Service Cross

Colonel C.A. Hadfield

Meritorious Service Medal

Captain (Navy) D.W. Robertson

Chief of the Defence Staff Commendation

Brigadier-General W.D. Macnamara
Lieutenant-Colonel G.E. Bachman
Lieutenant-Colonel J.M. Cousineau
Lieutenant-Colonel D.A. Powell (US)
Lieutenant-Commander G.T. Bannon
Major J.P.I.S. Coulombe
Lieutenant-Commander P.V. Dempsey
Major W. Eyre
Major J.G.G.R. Painchaud
Captain G.A. Jager
Lieutenant (Navy) C.S.A. Kingsley
Lieutenant (Navy) A.A. Melvin
Petty Officer 1ˢᵗ Class E.P. Bourgeau

Sergeant R.J.W. O'Reilly
Master-Corporal K.A. Stuart
Corporal S.O. Bigelow
Leading Seaman H.N. Dyke
Corporal J.R.P. Gosselin
Corporal M.J.P. Lamy
Corporal L.K. Levesque
Corporal P.A. Pike
Private D.M. Astles
Lance Corporal C. Burt (UK)
Dr M.A. Hennessy
Mr F.P. Mannix
Mr D.A. Neale

Deputy Minister's Commendation (2001–02)

Dr. Patrick Armstrong
Mr. Bob Britton
Mr. David M. Collier
Mr. Robert H. Keddy

Mr. Richard Langler
Mr. Hanif Mawji
Dr. Nguyen Bao Uyen

DM/CDS Renewal Award (2001–02)

Mr. Robert B. Allan
Mr. Robert A. Ferguson
Lieutenant-Commander David P. Finch
Lieutenant-Colonel Yann Hidiroglou

Major Austin D. Campbell
Lieutenant-Commander David J. McOnie
Colonel (Retired) Ian K. Milani
Mr. James Van Adel

External Awards

Technology in Government Distinction Award – *Category: Group IV — Distinction Awards, C – Unique Achievement Awards.* Warrant Officer Frank Larabie for demonstrated leadership and innovation in incorporating accountability and performance standards in the development and delivery of a simple, secure and easy to use electronic document management system — Silver Medal.

Technology in Government Distinction Award – *Category: Group I — Federal Awards, B – Serving Canadians Better Through IM/IT Innovations.* Spatial Information Management System / Web Spatial Information Management System (SIMS/WSIMS) — Bronze Medal.
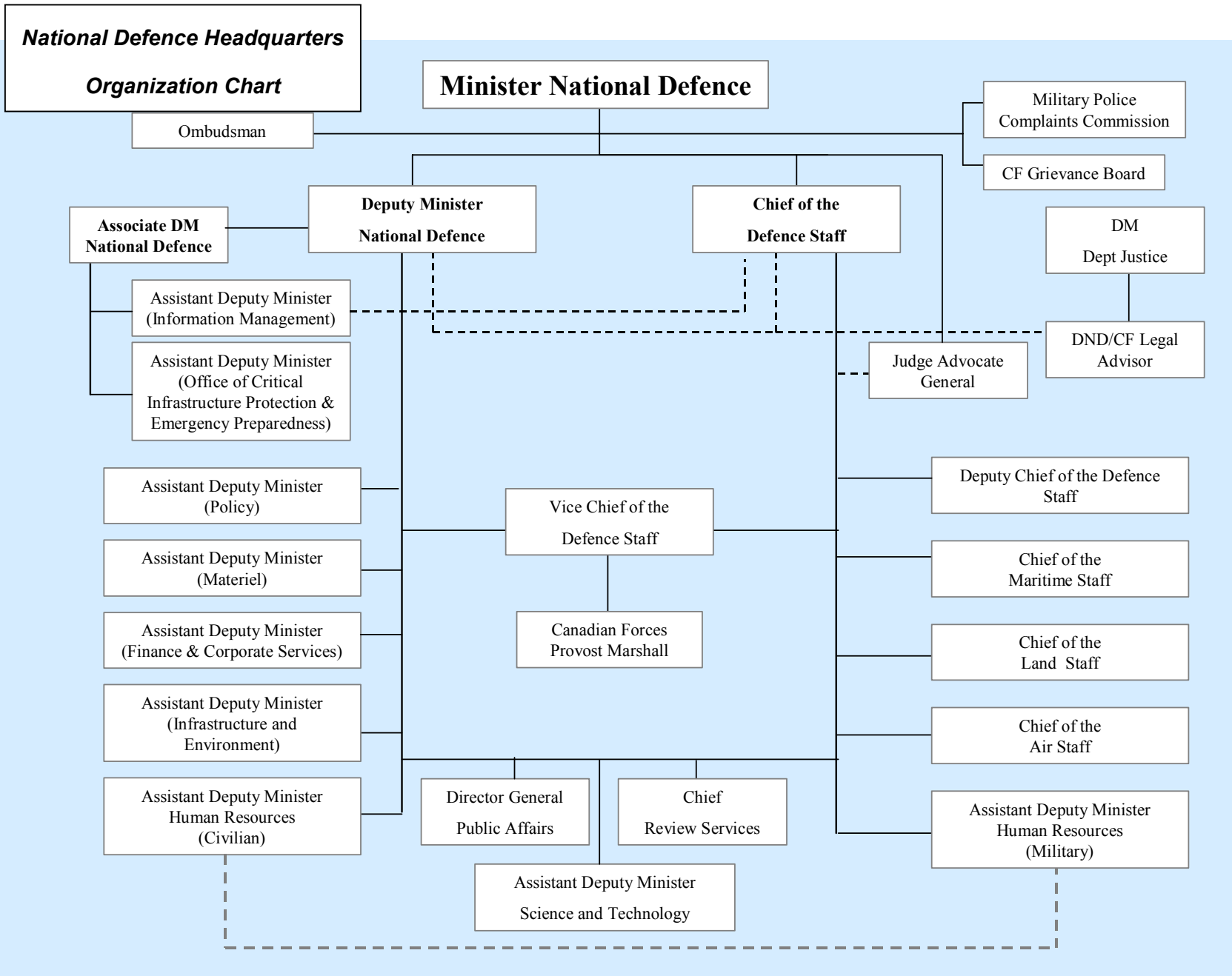
Legislation and Regulations Administered

The Minister of National Defence is assigned relevant responsibilities in the administration of the following legislation and regulations:

- *Aeronautics Act*

- *Auditor General Act*

- *Canada Elections Act* S.C. 2000 C. 9 (Under the general direction of the Chief Electoral Officer, DND administers the Special Voting Rules (Part II of the Act) as they relate to Canadian Forces electors.)

- *Canadian Environmental Assessment Act*

- *Canadian Environmental Protection Act 1999*

- *Canada Evidence Act*

- *Canadian Forces Superannuation Act*

- *Defence Services Pension Continuation Act*

- *Department of Public Works and Government Services Act*

- *Emergencies Act*

- *Emergency Preparedness Act*

- *Employment Equity Act*

- *Fisheries Act*

- *Garnishment, Attachment and Pension Diversion Act*

- *National Defence Act*

- *Official Languages Act*

- *Pension Benefits Division Act*

- *Visiting Forces Act*

- Governor-In-Council Order excluding DND and the CF from the *Nuclear Safety and Control Act* and regulations made pursuant to the Act.

Significant changes to legislation for which DND is responsible

After September 11, 2001, the Government of Canada introduced Bill C–36: "An Act to Combat Terrorism," which received Royal Assent on December 18, 2001. Bill C–36 increased the powers and responsibilities of the Minister of National Defence, in particular by amending the *National Defence Act* to provide for the Minister under certain conditions to issue authorizations to the Communications Security Establishment for the sole purpose of obtaining foreign intelligence, and for protecting the computer systems or networks of the Government of Canada from mischief, unauthorized use and interference. Bill C–36 also amended the *Canada Evidence Act* to give the Minister new responsibilities with respect to the disclosure of potentially injurious information during proceedings under Part III of the *National Defence Act*.

National Defence Headquarters

Organization Chart

Minister National Defence

Ombudsman

Military Police Complaints Commission

CF Grievance Board

Associate DM National Defence

Deputy Minister National Defence

Chief of the Defence Staff

DM Dept Justice

Assistant Deputy Minister (Information Management)

Assistant Deputy Minister (Office of Critical Infrastructure Protection & Emergency Preparedness)

Judge Advocate General

DND/CF Legal Advisor

Assistant Deputy Minister (Policy)

Vice Chief of the Defence Staff

Deputy Chief of the Defence Staff

Assistant Deputy Minister (Materiel)

Chief of the Maritime Staff

Assistant Deputy Minister (Finance & Corporate Services)

Canadian Forces Provost Marshall

Chief of the Land Staff

Assistant Deputy Minister (Infrastructure and Environment)

Chief of the Air Staff

Assistant Deputy Minister Human Resources (Civilian)

Director General Public Affairs

Chief Review Services

Assistant Deputy Minister Human Resources (Military)

Assistant Deputy Minister Science and Technology

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Internet sites on the World Wide Web

Department of National Defence	www.forces.gc.ca
Defence Plan On-Line	www.vcds.forces.gc.ca/DPOnline/main_e.asp
Office of Critical Infrastructure Protection and Emergency Preparedness	www.ocipep-bpiepc.gc.ca/
Communications Security Establishment	www.cse.dnd.ca/
National Search and Rescue Secretariat	www.nss.gc.ca/
Office of the ombudsman for National Defence and the Canadian Forces	www.ombudsman.forces.gc.ca/
Office of the Judge Advocate General	www.forces.gc.ca/jag/welcome_e.html