National Defence | Défense nationale

National Defence

Departmental Performance Report

For the period ending
March 31, 2005

The Honourable Bill Graham, P.C., M.P.
Minister of National Defence

Canada

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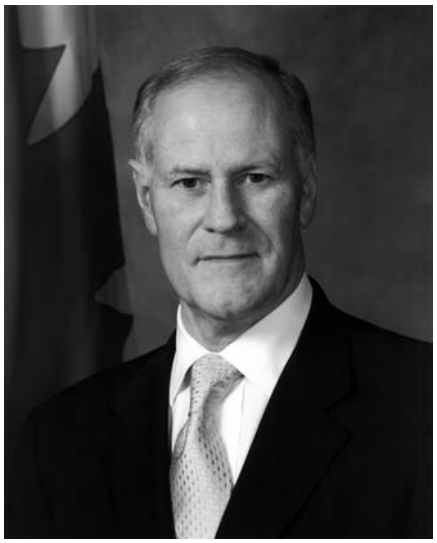
Minister's Message

I am proud to present to Parliament the 2004-2005 Departmental Performance Report for the Department of National Defence and the Canadian Forces.

The past year was both exciting and challenging. Yet again, the men and women of the Department and the Canadian Forces—the Defence Team—made Canadians proud. Through their professionalism and dedication, they protected Canadians at home, helped to secure the North American continent, and contributed to international peace and security.



During this period, the new security environment continued to evolve. Failed and failing states continued to dot the international landscape, creating regional instability and providing a potential haven for terrorists. Global terrorist groups remained active. Additionally, although not strictly a security concern, the Indian Ocean tsunami in December 2004 led to a massive international humanitarian effort that involved armed forces from around the world. It was within this context that the Department of National Defence and the Canadian Forces made meaningful progress in a number of areas critical to the defence of Canada and the protection of Canadians.

Abroad, the Canadian Forces made significant contributions to international peace, security and stability. Whether it was in Afghanistan as part of the international campaign against terrorism, in Haiti bringing stability to the country as part of the UN-mandated multinational force, in Bosnia-Herzegovina at the end of a highly successful 13-year commitment to regional security, or in Sri Lanka as part of a global effort to assist victims of the catastrophic tsunami, Canadian Forces members exemplified the professionalism, skill and compassion for which they are known world-wide. Most recently, Canada supported the U.S. relief efforts following Hurricane Katrina, in September 2005, by providing approximately 900 Canadian Forces personnel.

At home, Defence continued to make significant investments in counter-terrorism capabilities such as the chemical, biological, radiological and nuclear research and technology initiative (CRTI). Significant progress has also been made in implementing the National Security Policy. For example, the Canadian Forces are leading the establishment of Marine Security Operations Centres on the east and west coasts to bring together the military and civilian resources necessary to detect, assess and respond to a marine security threat. The CF, along with the RCMP and the Canadian Coast Guard, have also increased their presence in our waters.

Defence also continued to work closely with the United States in the defence of the continent. In November, Canada and the United States agreed to extend the mandate of the Bi-national Planning Group (BPG) until May 2006. Through the BPG, both countries work together on

contingency plans for defending against, and responding to, a wide range of threats to North America. Through the North American Aerospace Defence Command (NORAD), Canada and the United States continued their long-standing partnership in the defence of North America from air threats.

The Government of Canada continued to conduct its review of Canada's place in the world and clearly reaffirmed its commitment to the Department of National Defence and the Canadian Forces. With the intent of developing an integrated and coherent framework for diplomacy, defence, development and trade, the Minister of Foreign Affairs led the review in collaboration with the Ministers of International Trade, National Defence and International Cooperation. As part of that process, Defence continued to conduct its own policy review which was released in April 2005. It provides the Canadian Forces with a framework to meet the security challenges of the 21st century, including failed and failing states and global terrorism. With the new vision set out in the Defence Policy Statement, the Canadian Forces will become more relevant, responsive and effective. They will also strengthen their capacity to defend our security, protect our interests, and enhance Canada's role on the world stage.

Shortly after Prime Minister Paul Martin appointed him as the new Chief of the Defence Staff in January 2005, General Rick Hillier unveiled his vision for the Canadian Forces. This bold new vision outlines the most significant changes to the Canadian Forces command and control structure in over 15 years and was later echoed in the Government of Canada's International Policy Statement, released in April 2005.

The Government of Canada has also made significant new investments in the Canadian Forces through both Budget 2004 and Budget 2005. Budget 2004 led to an enhanced quality of life for Canadian Forces members and their families by providing an income tax exemption for Forces members serving on high-risk international operational missions. Budget 2005 provided the most significant investment in the military in the last 20 years, by providing Defence with nearly $13 billion dollars in new funding over 5 years, outlining a long-term commitment to expand, fix and transform the Canadian Forces.

Part of this investment will go towards ensuring the Canadian Forces have the equipment they need to operate effectively in the 21st Century. The Joint Support Ship (JSS) project, for example, was identified as a priority this past fiscal year and received Treasury Board approval in November. The JSS will provide Canadians with modern vessels that are a critical component of Canada's defence capability and will enable the Canadian Forces to fulfill their domestic maritime security priorities as well as support their foreign policy objectives.

In November, after a thorough bid evaluation process, the Government of Canada signed a contract with Sikorsky International Operations Inc. for the Maritime Helicopter Project. The CH-148 Cyclone will provide our men and women in uniform with a helicopter that can perform the diverse and difficult roles required in today's global security environment.

In addition, the Mobile Gun System Project, currently in the definition phase, will provide the army with 66 armoured fighting vehicles and associated integrated logistics support. This highly

deployable system will provide our soldiers with the kind of military capabilities they require now and in the future.

The past year brought many challenges and even tragedy, with the loss of service members in the line of duty, but also much success as Defence made very significant progress on many fronts. With the right ideas, the necessary resources, Government of Canada support and the highly skilled members of the Defence Team, the Department of National Defence and the Canadian Forces are well positioned to meet the challenges of the future.

The Honourable Bill Graham, P.C., M.P.
Minister of National Defence

Management Representation Statement

I submit, for tabling in Parliament, the 2004–2005 Departmental Performance Report (DPR) for National Defence.

This document has been prepared based on the reporting principles contained in the Treasury Board of Canada Secretariat's *Guide for the preparation of 2004-2005 Departmental Performance Reports*:

- It adheres to the specific reporting requirements;
- It uses an approved Business Lines structure;
- It presents consistent, comprehensive, balanced and accurate information;
- It provides a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and Public Accounts of Canada.

W.P.D. Elcock
Deputy Minister

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An electronic version of this report can be obtained at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr_e.asp

Hyperlinks to supplemental information are embedded in the electronic version.

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Section 1: The Benefits of Defence Investment

Every day, Defence[1] is active on many fronts, ensuring that Canada's security and defence needs are met and interests are protected. With the number of personnel deployed abroad ranging between 1,300 and 4,000 throughout the year on a variety of missions and dozens of defence attachés covering the globe, Defence plays a key role in promoting Canada's interests and values, contributing to international peace and security, and enhancing Canada's role in the world.

At home, the Canadian Forces (CF) protect the integrity of our borders, provides disaster relief as needed, supports other government departments and agencies, and helps enforce Canadian law within our areas of jurisdiction. The CF also contribute to the defence of North America in partnership with the United States.

Defence also touches Canadians' day-to-day lives in many ways. As Canada's largest public sector employer, Defence contributes to local communities across Canada through official spending and investment. It provides leadership in innovation through research and development initiatives, assists health agencies in major emergencies, and protects the environment by conducting research and participating in the clean-up of contaminated sites.

Through the work of its various component organizations, Defence has become an important part of Canada's history, heritage and identity. With a presence in every province and territory of Canada, in virtually every major Canadian community, and in missions abroad, Defence is one of Canada's most recognizable national institutions.

Detailed information related to the Defence contribution to Canada's success is available throughout this report, particularly in sections 4 and 5.

The Defence Mission

The mission of the Department of National Defence (DND), the Canadian Forces (CF) and the organizations and agencies that make up the National Defence portfolio is to defend Canada and Canadian interests and values while contributing to international peace and security.

More specifically, the CF are called upon in three major roles:

- Protecting Canada;
- Defending North America in co-operation with the U.S.; and
- Contributing to international peace and security.

To succeed in these tasks, Defence provides many services that benefit Canadians directly. We contribute to **domestic** defence and security in many ways, including the following:

- Surveillance and control of Canadian approaches and territory;

[1] The Department of National Defence (DND), the Canadian Forces (CF) and the organizations and agencies that make up the National Defence portfolio are collectively referred to as Defence.

- Support to other government departments and agencies, such as Fisheries and Oceans Canada, Foreign Affairs Canada, Environment Canada and the Royal Canadian Mounted Police;
- National search and rescue services;
- Humanitarian assistance and disaster relief;
- Support to Civilian Authorities;
- Support to the federal response to terrorism and other asymmetric threats; and
- Support to major international events held in Canada.

In **North America**, DND and the CF contribute to continental defence in co-operation with the United States. In total, Canada and the U.S. are co-signatories to more than 80 treaty-level defence agreements and 250 memoranda of understanding. Canada and the U.S. are partners in the North American Aerospace Defence Command (NORAD), and our armed forces continuously share intelligence and security information, and train together in joint and combined exercises. Canada-U.S. military co-operation has been further enhanced with the formation of the Bi-National Planning Group, which establishes contingency plans for the defence of North America against maritime threats and for responses to land-based contingencies, including attacks and natural disasters.

Internationally, Canada participates in multilateral operations under the auspices of the North Atlantic Treaty Organization (NATO), the United Nations (UN) and coalitions of like-minded nations. The CF make significant contributions to several major international initiatives including the U.S.-led Proliferation Security Initiative and the G8 Global Partnership. The CF support a wide range of arms-control activities and provide professional military education and training to other countries through the Military Training Assistance Program. They maintain the Disaster Assistance Response Team to respond rapidly to humanitarian emergencies worldwide, such as the tsunami that struck Southeast Asia in December 2004. As well, they maintain the ability to protect Canadians in areas threatened by conflict and evacuate them to safety.

The Defence Portfolio

DND, the CF and a group of related organizations and agencies, including the Communications Security Establishment (CSE) and Defence Research and Development Canada (DRDC) carry out the Defence mission.

The CF also maintain:

- 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;
- Chaplaincy services;
- Extensive communications networks in Canada and abroad;
- Firefighting services;

- Medical and dental services, because CF members are excluded from both the *Canada Health Act* of 1984 and the Public Service Health Care Plan;
- Youth programs, specifically the Canadian Cadet Program and the Junior Canadian Rangers;
- The Canadian Defence Academy;
- The Canadian Forces Grievance Authority**;**
- The Canadian Forces Housing Agency; and
- The Canadian Forces Personnel Support Agency.

Defence also includes the following organizations that report directly to the Minister of National Defence:

- The Canadian Forces Grievance Board;
- The Office of the Judge Advocate General;
- The Military Police Complaints Commission;
- The Office of the Department of National Defence and Canadian Forces Ombudsman;
- The National Search and Rescue Secretariat; and
- The Office of the CSE Commissioner.

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. The Minister of National Defence has specific responsibilities under that Act, and responsibilities for the administration of other statutes, regulations and orders listed in Appendix C. The Act also designates that the Canadian Forces are headed by the Chief of the Defence Staff, who is Canada's senior serving officer "and who shall, subject to the regulations and under the direction of the Minister, be charged with the control and administration of the Canadian Forces"[2].

Specific accountability for results and associated performance measurement areas at the level of the Assistant Deputy Ministers and the Environmental Chiefs of Staff are detailed in the Defence Plan On-Line. The DND organization chart is found in Appendix E.

Key Partners and Stakeholders

Defence works with many Canadian and international partners that help support its mission, programs and activities. The broad scope of the Defence mandate is reflected in the complexity and diversity of our partners and stakeholders listed in Appendix B.

Defence partnerships and relationships help support broader government efforts and priorities, and ensure horizontal co-ordination and co-operation on a range of security and public safety issues. In today's security environment, where the distinction between domestic and international is becoming blurred, new and innovative partnerships and approaches are required. This situation presents Defence with unique opportunities to deliver on our mandate, including exploring ways

[2] National Defence Act, Article 18(1).

to use our resources more strategically and to better support the priorities of the Government of Canada and the needs of Canadians.

Summary of Performance: National Defence

During fiscal year 2004–2005, the CF deployed almost 5,600 personnel on international operations. The CF participated in a total of 23 international operations with, on average throughout the first six months of the year, over 3,500 deployed personnel on international peace-support and coalition operations including Afghanistan, Bosnia and Haiti. With planned reductions in mission establishments in the latter half of the year, an average of 1,700 personnel were deployed outside of Canada on CF operations. In each and every case, CF personnel distinguished themselves through their professionalism and dedication, and demonstrated that they are among the best-trained and most effective military personnel in the world.

Defence Achievements

The following summary highlights Defence achievements in fiscal year 2004–2005. Many initiatives were undertaken to achieve identified strategic outcomes that are not listed here, but are described in detail in sections 4 and 5. Financial tables are provided in section 7. The electronic version of this report also contains many web links that lead to information about specific initiatives that may be of interest.

Strategic Outcome: Conduct Operations

The Conduct Operations capability program comprises the ability to employ the range of military capabilities required to achieve assigned missions, when and where directed.

ACHIEVEMENTS: CONDUCT OPERATIONS
• At home, the CF continued to fulfil its defence objective of conducting surveillance and control of Canadian territory, waters and airspace, while satisfying a wide range of requests for support from other government departments and agencies such as search and rescue and counter-drug operations. In 2004, the joint Canadian Forces/Canadian Coast Guard Rescue Co-ordination Centres handled over 7,500 aeronautical, maritime and humanitarian incidents, of which air force aircraft responded over 1,100 times.
• Canada continued to fulfil its responsibilities as a partner in NORAD in aerospace warning and control of North America through *Operation NOBLE EAGLE.* CF-18 Hornet aircraft flew more than 850 air sovereignty missions in support of *Operation NOBLE EAGLE.*
• Defence continued to work in almost 24 missions, which included missions under the auspices of international organizations such as NATO and the UN, to bring security and stability to many parts of the world such as Bosnia, Afghanistan and Haiti.

Strategic Outcome: Generate Forces

The Generate Forces capability program comprises the abilities to: recruit and train personnel; research, test and procure equipment; and design force structure to produce multipurpose, combat-capable military forces.

ACHIEVEMENTS: GENERATE FORCES
Human Resources – Military • The Government announced in the Budget 2005 that the CF will be increased by 5,000 Regular and 3,000 Reserve personnel. A team was assembled to review all human resource implications of the Budget 2005 announcement and develop an implementation plan by the fall of 2005.
Human Resources – Civilian • *The Public Service Modernization Act* (PSMA), Bill C-25, was approved in November 2003, creating two new Acts: the *Public Service Labour Relations Act* (PSLRA) and the *Public Service Employment Act* (PSEA). The PSLRA came into force April 1, 2005 and was successfully implemented while the PSEA will come into effect in December 2005. The approval of the PSMA changed the way labour relations and staffing are conducted.
Equipment • The Maritime Helicopter Project was awarded to replace the Sea King fleet.
CBRN Research Technology Initiative • The Counter Terrorism Technology Centre and Defence Research and Development Canada Ottawa were licensed to become the only facilities in North America to provide unsealed radiological sources for training, exercises and research and development. More than 1,000 military and civilian first-responders received specialized CBRN response training at the CTTC in 2004.

Strategic Outcome: Sustain Forces

The Sustain Forces capability program comprises the abilities to shelter and sustain personnel, repair and maintain equipment, and produce the infrastructure and capabilities necessary to support military operations.

ACHIEVEMENTS: SUSTAIN FORCES
Human Resources – Military • The CF continued to promote wellness and health. A new Screening and Reintegration policy was published in August 2004 recognizing the reintegration challenges CF personnel and their families face following deployment.
Human Resources –Civilian • A Wellbeing Framework was approved that includes programs and activities such as awards and recognition and the Employee Assistance Program.
National Procurement • The Materiel Group exercised effective control and prudent management of the NP program. As a result, the year-end expenditures of $1,909.8 million permitted the Department to maintain acceptable levels of equipment support and readiness.

ACHIEVEMENTS: SUSTAIN FORCES
Infrastructure • The Fleet Maintenance Facility (FMF) Cape Breton Shop Consolidation Project was continued in Esquimalt, BC. The project, at an overall estimated cost of $136.5 million, is consolidating maintenance formerly spread out in more than 30 old, inefficient shops and tool cribs in the naval dockyard into a consolidated, modern facility to better support the West Coast fleet. Phase 3 of the project is nearing completion and approval for Phase 4 will be sought in 2005.

Strategic Outcome: Command and Control

The Command and Control capability program comprises the abilities to collect, analyze, and communicate information; to plan and co-ordinate operations; and to provide the capabilities required to direct forces to achieve assigned missions.

ACHIEVEMENTS: COMMAND AND CONTROL
Military Justice System • In December 2004, the Office of the JAG completed the development of policy recommendations in response to the 57 recommendations of the Lamer Report pertaining to military justice. Work has since been undertaken to develop an appropriate legislative response consonant with this policy analysis, and advice has been provided to Government concerning the way ahead in this regard. In the foreword of his report, former Chief Justice Lamer indicated that "Canada has developed a very sound and fair military justice framework in which Canadians can have trust and confidence."
Defence Intelligence • With the approval of the Defence Intelligence Review in late 2004, the Chief of Defence Intelligence (CDI) has played an important role in assisting in the implementation and integration of the new defence intelligence structure.
Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) • The Department continued to enhance its C4ISR capabilities in light of the new National Security Policy. For example, the initial design for interconnecting Air Force Command and Control Information System to NORAD networks was approved, significantly improving interoperability between the related military organizations in Canada and the United States.

Strategic Outcome: Corporate Policy and Strategy

The Corporate Policy and Strategy capability program comprises the abilities to produce and implement corporate policies and strategies to achieve broad government objectives, manage departmental activities, and provide defence and security advice.

ACHIEVEMENTS: CORPORATE POLICY AND STRATEGY
Defence Policy Review • Defence participated in the International Policy Review and the Defence Policy Review that commenced on December 12, 2003. Work on these two policies was completed in fiscal year 2004–2005 resulting with the release of Canada's International Policy Statement and Defence Policy Statement on April 19, 2005. Follow-on work is now focused upon developing a Defence Capability Plan.
National Security Policy • Defence provided input to the development of Canada's first National Security Policy, which was released in April 2004, and sets out a broad range of new initiatives in intelligence, emergency planning and management, public health crises, transportation and border security and international security. Among the main defence-related initiatives were the creation of an Integrated Threat Assessment Centre and an enhanced interdepartmental role in maritime security.
Canada-U.S. Defence Agreements • Defence provided advice and support leading up to the decision by Canada and the U.S. to renew the Bi-National Planning Group mandate in December 2004. Defence also participated in negotiations, led by Foreign Affairs Canada, with the U.S. culminating in the August 2004 amendment to the North American Aerospace Defence Command (NORAD) agreement, allowing NORAD to provide missile warning information to U.S. commands responsible for ballistic missile defence.
Human Resources – Civilian • The Canadian Human Rights Commission declared that the Department fully complied with the 12 statutory requirements of the *Employment Equity Act* (EEA).
Financial Comptrollership • On 16 Jun 2004, the Deputy Minister issued the Directive "Strengthening Accountability and Comptrollership in National Defence". Part of that directive was development of the Comptrollership Action Plan (CAP). The CAP will be fully implemented by 31 March 2006.
Defence Ethics Program • The focus of the Defence Ethics Program (DEP) continued to be the promotion of ethical behaviour and conduct across DND and the CF. The Department's Conflict of Interest guidelines were updated to incorporate the *Values and Ethics Code for the Public Service*. The Canadian Defence Academy is entrenching the ethical principles in all keystone manuals.
Complaints Resolution • During fiscal year 2004–2005, the Ombudsman's Office received 1,793 new complaints. The Office resolved and closed 1,871 cases. The most common complaints received were in the area of benefits, followed by recruiting, release, medical issues, and complaints about the DND/CF grievance system.
Public Affairs • Defence got high visibility for international CF operations, through media activities organized for the departure and return of CF members, by embedding journalists and deploying Combat Camera teams. Public Affairs also organized regular briefings and telephone news conferences with deployed units and provided high quality information to the media.

ACHIEVEMENTS: CORPORATE POLICY AND STRATEGY

Materiel Acquisition and Support to Operations Project

- In fiscal year 2004–2005, the Materiel Acquisition and Support to Operations Project (MASOP) achieved savings exceeding the target of $18.6 million with one time savings of $20.3 million or 110% of the target; and, recurring savings of $12.5 million or 105% of the $11.9 million target through the development of an integrated, cost-effective and efficient supply chain.

- Expenditures were also significantly less than the planned spending of $5.1 million or 34% of business case planned of $15.2 million due to the prudent management of resources.

Section 2: Departmental Influence on Performance

Planning Considerations

The global security environment continued to undergo profound change. Threats remained diverse and unpredictable, and continued to affect Canadians and Canadian interests. In a world of interconnected infrastructure, rapid transportation and communications, and non-state actors operating across national boundaries, Canadian defence and security remained closely linked with continental and international security. The key planning considerations for Defence in 2004–2005 were as follows:

- The International Policy Review/Defence Policy Review;
- The National Security Policy;
- The international security environment and its impact on domestic security;
- Developments in the U.S. and in Canada-U.S. relations;
- Developments in the North Atlantic Treaty Organization (NATO), at the United Nations (UN) and with the European Union (EU);
- The international campaign against terrorism;
- Operational tempo;
- Transformation;
- Demographics and the changing face of Canada; and
- Fiscal priorities, resource stewardship and reallocation.

The International Policy Review/Defence Policy Review

The Government continued to conduct its comprehensive review of Canada's place in the world, which was launched on December 12, 2003. The aim of the review was to develop an integrated and coherent framework for diplomacy, defence, development and trade (3D+T). The Minister of Foreign Affairs led the review in collaboration with the Ministers of International Trade, National Defence and International Co-operation. As part of that process, Defence continued to conduct its own policy review in fiscal year 2004–2005. As a result, the Government released its International Policy Statement including a new Defence policy for Canada on April 19, 2005. The full text of the statement can be found at: http://www.forces.gc.ca/site/reports/dps/index_e.asp.

The National Security Policy

The Government released Canada's first National Security Policy in April 2004, providing a long-term framework focused on three national security interests: protecting Canada and Canadians at home and abroad; ensuring that Canada is not a base for threats to our allies; and contributing to international security. It provided a blueprint for action in six areas: intelligence, emergency management, public health, transportation, border security, and international security.

Among the main defence-related initiatives were the creation of an Integrated Threat Assessment Centre and an enhanced role for the navy in maritime security.

The International Security Environment and Domestic Security

The security environment in 2004–2005 remained complex and unpredictable, dominated by a number of concerns. Failed and failing states continued to dot the international landscape, creating regional instability and providing a potential haven for terrorists in Africa, Asia and Latin America. Global terrorist groups, though weakened by the campaign against terrorism, have become more decentralized and dispersed and therefore in some ways more difficult to confront. The proliferation of weapons of mass destruction to terrorists or dangerous states, such as North Korea and Iran, remained a concern. While the likelihood of major inter-state war remained low, regional flashpoints in the Middle East, South Asia and East Asia have persisted.

There have been a few encouraging signs amid these continuing challenges. Successful elections were held in early 2005 by both Iraqi and Palestinian authorities, dealing a blow to parties opposed to peace. Mass protests forced the withdrawal of Syrian forces after nearly three decades of presence on Lebanese territory. And in Ukraine, the peaceful election of a democratic government in late 2004 served to reinforce Euro-Atlantic security.

Although not strictly a security concern, the Indian Ocean tsunami in December 2004 led to a massive international humanitarian effort that involved armed forces from around the world and had an impact on regional security relations, particularly intra-state conflicts in countries such as Sri Lanka and Indonesia.

In a globalized world of asymmetric threats where instability abroad impacts security at home, governments have increasingly been called upon to balance the need to contribute to global peace and security with the need to maintain homeland security.

Developments in the United-States and in Canada-U.S. Relations

The U.S. remained preoccupied with the campaign against terrorism, particularly in Afghanistan, as well as with post-conflict stabilization and reconstruction in Iraq. These missions have imposed a high operational tempo on the U.S. military, which must at the same time transform to meet future threats. In this regard, there is a shifting emphasis in U.S. planning away from traditional threats (i.e., state-based militaries) towards three types of non-traditional threats: irregular (insurgents and terrorists), catastrophic (weapons of mass destruction) and disruptive (cyber attacks). Included in this effort is the U.S. ballistic missile defence system for North America, which achieved limited operational status in 2004–2005.

Canada-U.S. defence relations were discussed during the visit of President George W. Bush to Canada in November 2004, which concluded with the Prime Minister and President agreeing on a "Joint Statement by Canada and the U.S. on Common Security, Common Prosperity: A New Partnership in North America," including measures to improve maritime security. This partnership was extended to include Mexico when the Prime Minister met with the Presidents of Mexico and the U.S. in Waco, Texas, in March 2005.

In fiscal year 2004–2005, Canada and the U.S. undertook a number of key initiatives with regard to defence relations. In August 2004, both countries agreed to allow the North American Aerospace Defence Command (NORAD) to provide missile warning information to U.S.

commands responsible for ballistic missile defence. In December 2004, Canada and the U.S. allowed enhanced co-operation on maritime and land-based threats to North America to continue by extending the mandate of the Bi-National Planning Group. In February 2005, the Government announced that although Canada would not participate in the development or operation of the U.S. ballistic missile defence system, it will continue to pursue other ways to strengthen defence and security co-operation with the United States.

Developments in NATO, the UN and the EU

In 2004, NATO welcomed seven new members – Romania, Bulgaria, Slovenia, Slovakia, Lithuania, Latvia and Estonia. The Alliance also continued its process of transformation, encouraging member states to invest in capabilities required to conduct operations in the new security environment. NATO's relevance was also buttressed when the NATO Response Force (NRF) reached initial operating capability in October 2004. In addition to its ongoing peace support operation in Kosovo, maritime operations in the Mediterranean as well as the International Security Assistance Force (ISAF) in Afghanistan, NATO established a mission to the Middle East to train Iraqi security forces. At its 2004 Istanbul summit, the Alliance agreed to enhance existing partnerships with countries in North Africa and the Middle East (the Mediterranean Dialogue) and launch co-operation with Persian (Arabian) Gulf countries (the Istanbul Co-operation Initiative). Canada supported NATO's continuing efforts to address new and evolving threats, including through significant contributions to ISAF and specific commitments to the NRF.

The UN continued to make important contributions to international security, particularly through its peace support operations in Africa. In fiscal year 2004–2005, the UN established the United Nations Advance Mission in Sudan (UNAMIS) paving the way for a peacekeeping mission — the United Nations Mission in Sudan (UNMIS) — to support the implementation of the North-South Peace Accord. In addition, a High-Level Panel appointed by the Secretary-General made several recommendations regarding UN reform, including expanding the Security Council as well as promulgating criteria for intervention in cases where a state does not uphold its sovereign "responsibility to protect" its citizens. Canada supports the ongoing reform of the UN and contributed several personnel to the mission in the Sudan.

The European Union (EU) successfully took over responsibility for peace support operations in Bosnia from NATO in December 2004 with the deployment of the European Force (EUFOR). The turnover of responsibility not only demonstrated the maturation of the European Security and Defence Policy but also serves as a model of NATO-EU co-operation. Canada demonstrated support for this emerging relationship by contributing forces to the EUFOR mission.

The International Campaign Against Terrorism

In fiscal year 2004–2005, Canada continued to support the international campaign against terrorism by focusing on the stabilization and reconstruction of Afghanistan through NATO's ISAF mission, *Operation ATHENA*. The campaign has required the close co-ordination of defence, diplomacy and development efforts, known as "3-D approach", in order to ensure that Afghanistan does not relapse into instability and become a breeding ground for terrorists once again. The campaign also included a maritime component in the Persian (Arabian) Gulf, led by the U.S. as part of *Operation ENDURING FREEDOM*, as well as in the Mediterranean Sea, led

by NATO as part of *Operation ACTIVE ENDEAVOUR*. Canada supported these maritime efforts through the periodic deployment of a ship and maritime patrol aircraft through *Operation ALTAIR*.

Operational Tempo

After a period of high operational tempo following September 11, 2001, the CF went through a period of regeneration in fiscal year 2004–2005. Consequently, the CF deployed fewer soldiers, sailors and air personnel on international missions than in previous years. It should be noted that while deployments were reduced, the contingencies attached to regeneration meant that activity levels remained very high.

Transformation

In fiscal year 2004–2005, Defence elaborated its Defence Policy Review in the context of Canada's International Policy Review. In April 2005, the Government released the results of its International Policy Review, including a new defence policy for Canada. The resulting Defence Policy Statement sets out a bold vision for National Defence and marks the beginning of a long-term plan to renew and transform Canadian defence to meet the challenges of the 21st century. The statement is, in effect, the blueprint for Canadian defence transformation.

Meanwhile, advances in military technology continued apace in fiscal year 2004–2005, especially in key capability areas such as command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR). Through the departmental Technology Demonstration Program, some 30 active projects examined the opportunities for new technologies to radically improve military capability, when effectively coupled with new operational concepts, doctrine and organization.

Such technologies have improved the effectiveness of military forces while at the same time imposed challenges in terms of maintaining interoperability among allied and like-minded forces. The use of unmanned aerial vehicles by the CF in Afghanistan, for example, resulted in improved effectiveness; at the same time, the adoption of advanced technology capabilities by allies, especially the U.S., have created pressures for the CF to keep up or risk losing the ability to operate effectively alongside allied forces.

Demographics and the Changing Face of Canada

Defence continued to adjust to the changing age, demographic makeup and job expectations of the Canadian population and work force. Challenges were particularly acute in certain occupational areas where DND and the CF must compete with private sector employers for highly qualified personnel. Defence seeks to be an inclusive workforce, representative of Canadian society.

Fiscal Priorities, Budget 2004, Budget 2005 and Resource Stewardship

The Federal Budget 2004 provided $195 million in 2004–2005 and $55 million in 2005–2006 for *Operation ALTAIR* in Afghanistan and $50 million in 2004–2005 for *Operation HALO* in Haiti.

The Budget also addressed the issue of incremental funding to pay for new Fixed Wing Search and Rescue aircraft. Up to $300 million per year will be provided annually to acquire these aircraft until procurement is completed.

CF personnel serving on high-risk international operations are now eligible to receive tax relief on employment income earned while deployed to these missions. This tax relief will apply on income up to the highest level of pay earned by a non-commissioned member of the CF. This equates to a maximum base salary of about $6,000 per month.

The Budget also identified $3.5 billion over the next 10 years to accelerate the ongoing cleanup of some 3,800 contaminated sites that are the responsibility of various federal departments. As the custodian of a number of these sites, National Defence will be eligible to receive additional funding to aid clean-up efforts.

The Department will also be eligible to receive a share of the additional $605 million over five years that was added to the security contingency reserve. These funds will be used to address security priorities such as intelligence, border protection, marine and cyber security, and enhanced co-ordination of systems, information, threat assessments and emergency response.

To help institute a new management approach in the Government of Canada, the Budget implements $1 billion in annual reallocations from central spending in 2004 and beyond. In addition, a new Cabinet Committee on Expenditure Review, chaired by the President of the Treasury Board, has been established with a mandate to conduct a fundamental review of all programs and expenditures. These reviews will generate savings every year, building to at least $3 billion in annual ongoing savings within four years. These savings are intended for reinvestment in the priorities of Canadians, including investments in modern public management. National Defence contributed $144 million towards this initiative during fiscal year 2004–2005.

The Government's new defence policy sets high standards for Defence, but it also recognized the need to reinvest in Defence. In Budget 2005, the Government announced a defence spending increase of nearly $13 billion over five years. This additional funding will be used to expand the CF by 5,000 Regular Force and 3,000 Reserve personnel, improve operational sustainability, and purchase new equipment such as medium-lift helicopters, utility aircraft, medium trucks, and specialized training facilities for Joint Task Force 2. It will also lay the foundations for future transformation initiatives set out in the Statement.

Risks, Challenges and Opportunities

The fire aboard the HMCS CHICOUTIMI in October 2004 highlighted the risk that CF members regularly face while serving. The Board of Inquiry investigating the tragedy ultimately made a number of recommendations to improve the equipment and procedures that will enhance the safety of naval personnel.

Regeneration of CF Members

In fiscal year 2004–2005, the navy commenced a period of regeneration after the operational tempo that Maritime Command (MARCOM) experienced over the period of *Operation APOLLO* when 50 percent of the Command personnel and 90 percent of our sea-going units were deployed in the campaign against terrorism. During this past fiscal year, the navy focused on

modernization and sustainability. In December 2004 the Contingency Task Group was reconstituted on the West Coast; and, in January 2005, Canada re-joined Standing NATO Readiness Force Maritime Group One (SNMG 1), formerly Standing Naval Force Atlantic, when HMCS *MONTRÉAL* sailed for European waters.

Starting August 2004, the army scaled down its international operational commitments to a total of 5,099 personnel in order to set the conditions for the reconstitution and transformation of its operational forces — particularly in the Balkans (*OP BRONZE* and *BOREAS*) and in Afghanistan (*OP ATHENA*). This ongoing operational pause provided a window of opportunity to establish a new Managed Readiness plan, conduct essential individual and collective training as well as develop new capabilities such as the establishment of a Direct Fire Unit and the Canadian Manoeuvre Training Centre.

Defence Civilians

The following "Electronic – Human Resources" (E-HR) initiatives were undertaken in order to exploit information management and information technology as key enablers in delivering better, more streamlined human resources management services:

- Redesign of the Assistant Deputy Minister (Human Resources – Civilian) intranet site;
- Implementation of "E-applicant" software to facilitate the importing of civilian candidate applications from the Public Service Commission;
- Leave Self-Service pilots;
- Transfer of all position files to electronic format; and
- Creation of an electronic inventory of 16,000 work descriptions and 63 generic work descriptions.

Due to the Salary Wage Envelope (SWE) cap, the effort to convert contractor work to DND civilian indeterminate positions did not progress as planned. Now that the SWE cap has been lifted, this work has resumed. Recruitment and retention of Personnel Officers (PE) continued to be a challenge as DND had to compete with other departments for scarce talent.

Section 3: Corporate Priorities for Defence

Each fiscal year, Defence planning is influenced by our planning context, including the current government agenda. In response, we establish priorities to guide our initiatives for the year ahead.

Defence realizes its planned initiatives through the five capability programs.[3] Ultimately, the capability programs — Conduct Operations, Generate Forces, Sustain Forces, Command and Control, and Corporate Policy and Strategy — enable Defence to carry out its mission of defending Canada and Canadian interests and values, while contributing to international peace and security.

Defence outlined four key corporate priorities for fiscal year 2004–2005. They were set in response to the risks, challenges and opportunities we face. These priorities reflect strategic choices that cut across the entire Defence portfolio and reflect areas that the Minister of National Defence and senior Defence leaders have identified as requiring action, development and improvement while dealing with current Defence needs and those of the Government of Canada. The activities and initiatives supporting these priorities are discussed throughout this report.

Further details on Defence Planning and Management may be found on the Internet at: http://www.vcds.forces.gc.ca/dpm/.

The following corporate priorities were identified for Defence in fiscal year 2004–2005:

- Adapt to the evolving security environment and enhance strategic relationships;
- Transform and modernize the Canadian Forces;
- Develop and support a professional, effective, sustainable Defence Team; and
- Maximize effectiveness in the management of resources.

Adapt to the Evolving Security Environment and Enhance Strategic Relationships

If Defence is to remain relevant and continue to make significant contributions to domestic and international safety and security, it must continue to adapt to the evolving security environment and enhance its strategic relationships. Defence made the following contributions to this priority:

- Contributed to the international campaign against terrorism;
- Contributed to the international policy review and carried out a Defence Policy Review;
- Promoted key international defence and security relationships;
- Enhanced the Defence intelligence capacity;
- Strengthened defence and security arrangements with the U.S.; and

[3] The five results-oriented capability programs of Defence are directly equivalent to what Treasury Board refers to as "business lines" or "strategic outcomes", in that they functionally reflect the department's priorities and management philosophy.

- Expanded strategic partnerships with other government departments, other levels of government, and the private sector.

Transform and Modernize the Canadian Forces

The transformation and modernization of the CF are essential to ensuring that Defence continues to protect Canadians and Canadian interests at home and abroad. Today's evolving security environment requires that CF strategic planning efforts be focused on the capabilities needed to meet Canada's current and future needs. In support of this priority, Defence:

- Focused strategic planning efforts on the required capabilities;
- Enhanced the capability to operate effectively in joint, interagency and multinational environments; and
- Actively shifted resources and effort from lower to higher priority initiatives to accelerate the pace of transformation.

Develop and Support a Professional, Effective, Sustainable Defence Team

If Defence is to meet its current requirements and prepare for the future, it must develop and support a professional, effective, sustainable Defence Team. This task requires us to improve our recruitment and retention processes and modernize our human resource management. In support of this priority, Defence:

- Aligned recruitment and retention processes to better meet our needs;
- Modernized human resource management;
- Encouraged and supported continuous learning;
- Continued to strengthen military health care;
- Advanced leadership through the promotion of diversity and inclusiveness in the workplace;
- Improved our bilingual capacity; and
- Promoted wellness and health.

Maximize Effectiveness in Resource Management

Given the evolving security environment, government-wide priorities, and current fiscal reality, meeting Canadians' defence and security needs requires the effective management of resources. In response to this priority, Defence:

- Enhanced management excellence by implementing the Comptrollership Action Plan and a focus on strengthening accountability and controls;
- Implemented the new information management strategy and governance recommended by the Department's Information Management Strategic Review (IMSR); and
- Pursued a culture of excellence in internal communications.

Relationship between Corporate Priorities for Defence and Capability Programs

The following "crosswalk" table was developed to show the relationship between the Corporate Priorities for Defence and the Capability Programs. This link ensures that high-level performance measurement and resource information for corporate priorities and related initiatives are reported through the capability programs.

	CAPABILITY PROGRAMS					
CORPORATE PRIORITIES AND RELATED INITIATIVES FOR FISCAL YEAR 2004–2005	CONDUCT OPERATIONS	GENERATE FORCES	SUSTAIN FORCES	COMMAND AND CONTROL	CORPORATE POLICY & STRATEGY	TYPE OF PRIORITY
Adapt to the evolving security environment and enhance strategic relationships						
• Contribute to the international campaign against terrorism	♦			♦		O
• Contribute to the International Policy Review and carry out a Defence Policy Review					♦	O
• Promote key international defence and security relationships	♦			♦	♦	O
• Enhance the Defence intelligence capability				♦		O
• Strengthen defence and security arrangements with the U.S.	♦				♦	O
• Expand strategic partnerships with other government departments, other levels of government and the private sector	♦			♦	♦	O
Transform and modernize the Canadian Forces						
• Focus strategic planning efforts on the required capabilities					♦	O
• Enhance the capability to operate effectively in joint, interagency and multinational environments	♦			♦	♦	O
• Actively shift resources and effort from lower to higher priority initiatives to accelerate the pace of transformation		♦	♦	♦	♦	O/N
Develop and support a professional, effective, sustainable Defence Team						
• Align recruitment and retention processes to better meet our needs		♦	♦		♦	O
• Modernize human resource management			♦		♦	O
• Encourage and support continuous learning		♦	♦			O
• Continue to strengthen military health care		♦	♦		♦	O
• Advance leadership through the promotion of diversity and inclusiveness in the workplace		♦			♦	O
• Improve our bilingual capacity					♦	N
• Promote wellness and health			♦		♦	O
Maximize effectiveness in resource management						
• Enhance management excellence by implementing the Comptrollership Action Plan[4] and a focus on strengthening accountability and controls					♦	O
• Implement the new IM strategy and governance					♦	O
• Pursue a culture of excellence in internal communications					♦	O
Legend: O = Ongoing N = New						

[4] The Comptrollership Action Plan is now embedded in *Strengthening Accountability and Comptrollership in National Defence*

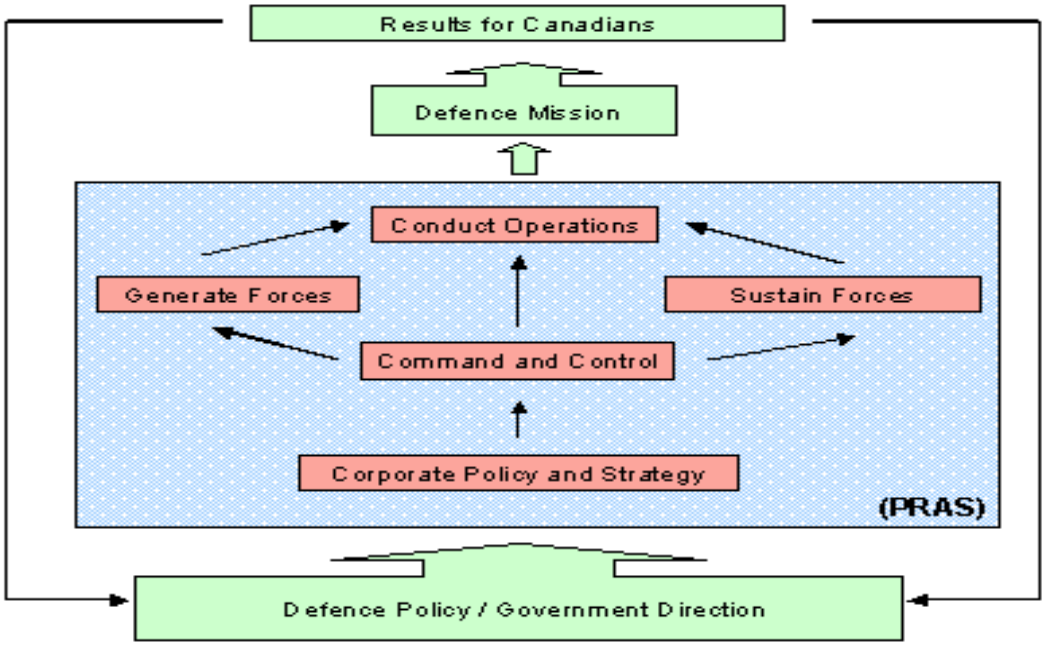
Section 4: Departmental Performance – Capability Programs

Transition to PAA

As per the Treasury Board's new Management, Resources and Results Structure (MRRS) Policy, DND is in the process of replacing its Planning, Reporting and Accountability Structure (PRAS) with a Program Activity Architecture (PAA), which describes: the hierarchy of programs and their links to strategic objectives; how the department allocates resources; and how it reports on results. The new DND PAA will not come fully into effect until the 2005–2006 fiscal year, but a phased introduction of some of its elements began in 2004-2005. This DPR, which follows the PRAS-based 2004–2005 Report on Plans and Priorities (RPP), will of necessity mostly utilize the PRAS construct, but as part of the transition to the new structure some of the new PAA terminology will be used where appropriate. The 2006–2007 RPP will be based entirely on the new PAA.

Planning, Reporting and Accountability Structure

Defence delivers its services through five capability programs[5]: Conduct Operations, Sustain Forces, Generate Forces, Command and Control, and Corporate Policy and Strategy. The capability programs represent the core functions performed by DND, the CF and the other organizations of the Defence portfolio to carry out the Defence mission and achieve results for Canadians. The performance information identified in this report is organized by capability program. The following chart shows the relationships between the capability programs in the Defence planning, reporting and accountability structure (PRAS).



[5] The five capability programs are equivalent to "business lines" (the phrase used by Treasury Board) in that their functions reflect the department's priorities and management philosophy. They are aligned with Defence strategic outcomes.

The Capability Programs are delivered through the Defence Plan, which is the internal DND/CF business planning direction for the current fiscal year, and the planning guidance for the next three years. The Defence Plan assigns tasks and initiatives to senior managers, describes horizontal priorities, displays high-level force structure, and indicates resource allocations. It provides the link between the Capability Programs and the senior manager's business plans.

For detailed information on the PRAS, visit: http://www.vcds.forces.gc.ca/dgsp/00native/rep-pub/j-pras01_e.asp.

Management Accountability Framework

Modern Management in Defence laid the groundwork for continuing the pursuit of management excellence using the new Management Accountability Framework (MAF) developed by the Treasury Board Secretariat (TBS).

Aligned to the vision of *Results for Canadians*, the MAF is a set of 10 statements summarizing TBS's expectations for modern public service management. It was developed to provide public service managers with a clear list of management expectations within an overall framework for high organizational performance.

Annual bilateral meetings between Deputy Ministers and the Secretary of the TBS provide an opportunity to discuss the MAF and opportunities for strengthening management capabilities and practices in the context of the MAF.

Key messages communicated during the most recent bilateral meeting between the DM and the Secretary of the TBS on March 14, 2005 included the following:

- There are massive changes under way in DND/CF due to the 2005 Defence Budget and the new Defence Policy Statement;
- Defence faces a demanding operational tempo, e.g. Afghanistan; and
- Defence is a well managed department and is moving aggressively to close the remaining management gaps:
    - Harmonization
    - Performance Management Framework
    - Integrated Risk Management (IRM)
    - Management Resources and Results Structure/Program Activity Architecture (MRRS/PAA).

MAF issues specifically raised during the recent bilateral meeting included:

- **Public Service (PS) and CF Values** (2002 PS Employee Survey was positive with respect to DND, independent Chief Review Services (CRS) evaluation of the DND/CF Harassment Policy and Program underway);
- **People** (operational Quality of Life (QOL), regeneration, 5K/3K expansion, reform of CF health care services, *Public Service Management Act* (PSMA) Readiness, PS modernization, HR/business planning integration included in the management of large projects contained in the Strategic Capability Investment Plan (SCIP), succession planning);

- **Learning, Innovation and Change Management** (Departmental Learning Strategy including the PSMA implementation learning strategy, development of an e-learning strategy and Leadership Development Program, DND/CF Defence Learning Network under development; launch of the Virtual Resource Centre for Change to aid in change and transformation);
- **Governance and Strategic Direction*** (new PAA transition with three outcomes, development underway to ensure that the PAA/MRRS is integrated into current management processes, strategic alignment of Performance Management, Business Planning, and IRM, recently endorsed IM Strategic Plan);
- **Results and Performance** (Harmonization Initiative – implementation plan and change management strategy for this management alignment effort nearing completion);
- **Policy and Programs** (recently released Defence Policy Statement was completed in close co-ordination with the Privy Counsel Office (PCO) and Other Government Departments (OGD). DND continues to have a strong defence/security policy capacity and outreach program);
- **Risk Management** (development of DND/CF corporate risk profile underway, draft IRM Policy and Guideline documents completed, IRM training and learning continuing, development of an e-learning version of the RiskSmart course with on-line access scheduled for early Fall 05);
- **Stewardship** (implementation of a trial "strategy map" and a "balanced scorecard" for strategic performance management, Project Management capacity issues); and
- **Accountability** (Delegation of Authorities for Financial Administration, Balanced Scorecard-based Performance Management Framework will relate to corporate strategic objectives).

In particular, DND and the CF have established advanced practices for the following MAF elements:

Public Service and CF Values – Office of the Auditor General (OAG) observed that the Defence Values and Ethics Program could be used as a model for OGDs; and

Performance Management and the Balanced Scorecard

The DND/CF Performance Management Framework (PMF) uses the Balanced Scorecard (BSc) methodology. The Defence Management Committee has developed the use of the BSc methodology over the last two years with positive results through improved performance metrics. The BSc performance management framework continues to evolve and become more robust in its ability to report on value added and demonstrate results for Canadians.

Outputs by Capability Program

Conduct Operations

The mission of the Canadian Forces is to protect Canada, defend North America in co-operation with the U.S., and contribute to international peace and security.

Planned Results

The strategic outcome of Conduct Operations during the reporting period was to employ the range of military capabilities required to achieve success on missions when and where directed by meeting readiness levels, meeting international and domestic obligations, meeting the capability requirement, and deploying and sustaining operations.

Resources

Conduct Operations: Resources consumed Net of Revenues					
	Actual Spending 2003–2004	**Actual Spending Without OCIPEP 2003–2004**	**Planned Spending 2004–2005**	**Authorities 2004–2005**	**Actual Spending 2004–2005**
Departmental Spending ($ thousands)	$4,756,637	$4,639,965	$4,691,816	$4,585,925	$4,497,521
Capital Spending ($ thousands) (included in Departmental Spending)	$968,796	$968,796	$980,842	$985,575	$971,019
Human Resources–Military (FTEs)	18,898	18,898	19,910	n/a	18,550
Human Resources–Civilian (FTEs)	421	421	404	n/a	440

Results and Achievements

Defending Canada

The most important obligation for the Government is to protect and ensure the safety of its citizens. One of the most critical security issues facing the Government is its ability to conduct surveillance and control of our vast, sparsely populated territory, its airspace and maritime approaches, including the Arctic, and respond to asymmetric threats.

Surveillance and Control of Canadian Territory

The CF conducted surveillance of Canada's territory, airspace and ocean approaches, concentrating on areas where Canada's economic interests are most likely to be challenged.

Chief of the Maritime Staff

In the Pacific region, MARPAC ships conducted sovereignty patrols to assert CF presence in coastal areas and to foster interoperability with other government departments with maritime interests. Halifax-class frigates conducted four patrols of the Pacific coast, emphasizing the least-frequented areas. The Kingston-class maritime coastal defence vessel HMCS *WHITEHORSE* completed 14 days of route surveys in the vicinity and approaches to Vancouver Harbour, raising the navy's visibility there and serving as proof of federal commitment to national sovereignty

and the safety of vessels operating in inland waters. MARPAC ships were at sea for 45 days in direct support of other government departments, on tasks such as providing zone coverage for search-and-rescue operations, and searching for a wrecked floatplane.

In the Atlantic region, MARLANT ships were at sea for 188 days in support of other government departments, at a cost of $2,531,705. This figure represents 12.2 percent of MARLANT's total at sea days for fiscal 2004–2005.

Chief of the Land Staff

Army sovereignty operations included reconnaissance patrols, surveillance, and protection of vital military points. Two sovereignty operations were conducted in February 2005 around Resolute on Cornwallis Island and Arctic Bay on Baffin Island. Also, throughout the reporting period, Land Force Command maintained its ability to deploy four Immediate Response Units for domestic emergencies.

Chief of the Air Staff

For *Exercise NARWHAL*, conducted on Baffin Island in July and August 2004, the air force contributed a task force of CH-146 Griffon helicopters with their flight crews and support personnel, and a CH-124 Sea King detachment embarked in HMCS *MONTRÉAL*.

The air force also maintained its continuous support to CFS Alert on Ellesmere Island, with sustainment flights conducted under *Operation BOXTOP* and *Operation HURRICANE*. CFS Alert is essential to federal government activities in the high Arctic.

Canadian Forces Northern Area

Canadian Forces Northern Area (CFNA) provided surface surveillance in its area of responsibility, a task that includes security patrols of remote Northern Warning System sites in a low-threat environment. CFNA supported this level of activity in the remotest and most austere part of the Arctic by:

- monitoring national systems for threat indicators, security alert levels and intelligence reports such as the Recognized Maritime Picture;
- formulating and co-ordinating a surveillance plan that identifies strategic and operational areas of interest and recommends surveillance measures;
- co-ordinating flights by CP-140 Aurora long-range reconnaissance aircraft over Arctic areas and sharing information with other government departments, especially the RCMP and Canadian Coast Guard; and
- conducting up to 10 Ranger sovereignty patrols, training patrols across the North and conducting security inspections of 93 North Warning Sites.

CFNA Headquarters is also a primary point of contact for CF detachments and liaison officers in Whitehorse, Yukon and Iqaluit, Nunavut, and for the liaison personnel of territorial and federal government departments and agencies, especially emergency measures organizations and the RCMP. Through its Command Centre, CFNA Headquarters provides briefing, conference and communication facilities appropriate for a Search Master heading a major operation, or to support the co-ordination centre set up to handle a major air disaster.

Assistance to Other Government Departments

Counter-Drug Operations

During the reporting period, the CF provided air and naval forces to co-operate with the RCMP in several operations to intercept or destroy illegal drugs destined for or created in Canada. This assistance was co-ordinated at the strategic level by National Defence Headquarters and carried out at the operational and tactical levels by headquarters and units across Canada. This wide-ranging effort at sea, on shore and in the air resulted in several successful seizures and arrests during the year, including the following notable operations.

Operation CALVETTE: In April 2004, CF air and naval units detected and tracked a vessel suspected of smuggling narcotics in the Gulf of St. Lawrence. The RCMP arrested three members of its crew and seized 14 kilograms of cocaine.

Operation COLUMBIE: In June 2004, CF air and naval units detected and tracked a vessel suspected of smuggling narcotics. The RCMP Emergency Response Team arrested nine individuals and seized more than 500 kilograms of cocaine.

Operation SABOT: From August to October 2004, the CF supported the RCMP annual marijuana-eradication program. CF helicopters provided the police with observation platforms for finding grow sites, and airlift to take RCMP ground teams to grow sites to seize and remove marijuana plants. Operation SABOT resulted in the seizure of a record 177,767 plants with an approximate street value of $80 million, and the discovery of evidence that led to drug-related charges against 51 individuals.

Scientific and Technical Support

Defence Research and Development Canada (DRDC) continues to provide scientific and technical support to officials from Foreign Affairs Canada (FAC) through the Global Partnerships Bureau (GPX). The Global Partnerships Program, a G8 initiative that arose from the Kananaskis Summit, supports specific cooperation projects, initially in Russia and countries of the former Soviet Union, that address non-proliferation, disarmament, counter-terrorism and nuclear safety issues. Among the program's priority concerns are the destruction of chemical weapons, the dismantlement of decommissioned nuclear submarines, the disposition of fissile materials and the employment of former weapons scientists. This support has been multifaceted and has included participation in scientific colloquia through in-country, on-site technical visits and reviews. Site visits have included visits to biological institutes of priority concern to Canada in both Russia and Belarus to assess the technical capability of institutes and advise on possibilities for scientific and partner collaboration between DRDC and these institutes through the International Science and Technology Center (ISTC) in Moscow. In addition, DRDC has provided technical expertise through its evaluation of GPX's requirements with respect to the chemical weapons destruction facility at Shchuch'ye. DRDC staff provided ongoing support to the ISTC-sponsored project review process as members of the Natural Sciences and Engineering Research Council (NSERC) and FAC review committees, struck for this purpose.

The CBRN Research Technology Initiative (CRTI), established to strengthen Canada's preparedness for a chemical, biological, radiological and nuclear (CBRN) terrorist attack, has become a model for leveraging expertise, science and technology delivery and partnering with 17

federal departments and agencies as well as industry, academia and emergency response organizations.

In a rigorous selection process conducted during fiscal 2004–2005, the CRTI Secretariat funded 24 new projects for $20.6 million to enhance Canadian science and technology preparedness and response. Ten projects funded in earlier years were successfully completed during the reporting period — for example, the Mobile Nuclear Laboratories acquired under the CRTI are deployable across Canada to provide support in the event of a radiological or nuclear incident.

Through the CRTI, more than 30 representatives from federal and first-responder organizations participated in a training exercise at the Counter Terrorism Technology Centre (CTTC) to improve capabilities in taking forensic samples for evidence in the event of a CBRN terrorist event. In addition, CRTI organized and conducted Exercise Follow On (EXFO) at the CTTC, the second of four planned radiological/nuclear exercises, involving more than 60 representatives from eight government agencies and the United States.

Marine Security Operations Centre

As directed in the National Security Policy, MARLANT is responsible for establishing a Marine Security Operations Centre (MSOC) in Halifax, in co-operation with the Canadian Border Services Agency, the Canadian Coast Guard, Fisheries and Oceans Canada, the Royal Canadian Mounted Police, Transport Canada and the US Coast Guard. The role of the MSOC is to enhance "marine domain awareness" through information exchange, and to support the department in coordinating a domestic contingency operation.

MARLANT maintained a close liaison with the Nova Scotia regional office of Public Security and Emergency Preparedness Canada and the Emergency Measures Organization of Nova Scotia and New Brunswick. It also chaired two meetings of the East Coast Interdepartmental Maritime Operations Committee (ECIMOC).

In MARPAC, measurable progress was made toward establishing an MSOC. The information technology infrastructure has been enhanced, and collaborative tools have been purchased and installed. The first representatives of the RCMP, Transport Canada, Fisheries and Oceans Canada, and the Canadian Coast Guard have been identified, and plans have been made to enhance this presence and add representatives of the Canadian Border Service Agency during fiscal 2005–2006.

Support to Civilian Authorities

CF assistance is frequently requested by municipal and provincial governments to deal with local requirements. In fiscal 2004–2005, for example, the CF provided logistical support, bands and marching contingents for many ceremonial events, and airlifted VIPs and journalists to the high Arctic. There were also emergencies: for example, an Ontario Provincial Police tactical team completed a mission in an otherwise inaccessible region thanks to CF airlift.

These types of assistance operations are usually commanded at the regional level. National Defence Headquarters provides support to, and monitoring of, such operations when they are likely to expand beyond the resources of the local commander. Here are some examples of such high-profile operations:

Operation TWILIGHT and ***Operation SAPPHIRE***: Following the crash of a Boeing 747 cargo transport operated by MK Airlines at Halifax International Airport on October 14, 2004, the CF provided a mobile kitchen and feeding facilities for investigators and site security personnel.

Operation SPIRE: In November 2004, severe winter storms caused power failures and interruptions in Nova Scotia. The CF assisted local officials by providing mobile kitchen facilities and the distribution of meals to shelters established for persons forced to vacate their homes. In addition, CFB Greenwood provided 100 cots to four local Red Cross comfort centres.

Operation PROFILE: Shortly after his re-election, U.S. President George W. Bush visited Canada on November 30, 2004, arriving in Ottawa for meetings and then flying to Halifax to thank the people of the Atlantic region for their support to displaced air travellers immediately after the terrorist attacks of September 11, 2001. The RCMP was the lead Canadian agency for security during the Presidential visit, and the CF mounted *Operation PROFILE* to provide capabilities not otherwise available to police services, namely air cover, naval security, and extensive logistical support.

Search and Rescue

The CF provide emergency services to individuals in distress, as part of Canada's national search and rescue (SAR) system.

Navy Co-operation in SAR

An extraordinary example of the flexibility the navy offers in SAR emergencies was the deployment of the Kingston-class maritime coastal defence vessel HMCS *WHITEHORSE* and its side-scan sonar to help the RCMP find and recover the wreck of a floatplane. The achievement of this mission helped give some closure to the families of those lost in the crash.

Army SAR

The army maintained the Land Component of the MAJAID (Major Air Disaster) task on standby. The task force was not deployed during this reporting period.

Air SAR

Throughout the reporting period, the CF maintained its primary SAR fixed-wing aircraft and helicopters on 24/7 response posture at five main operating bases spread across the country. The CF contribution to the domestic SAR system represents the direct provision of emergency services to Canadians in distress. In 2004, the joint Canadian Forces/Canadian Coast Guard Rescue Co-ordination Centres handled over 7,500 aeronautical, maritime and humanitarian incidents, of which air force aircraft responded over 1,100 times. A significant milestone was also achieved in 2004 when CFB Trenton attained full operational capability with the CH-149 CORMORANT.

The Civil Air Search and Rescue Association (CASARA) augments the CF and contributes to national SAR operations. The dedicated volunteers of CASARA are located throughout the country with units as far north as Whitehorse, Yukon. As well as effective SAR assets, CASARA provides volunteers to observe aboard military aircraft and help set up and operate search headquarters. CASARA volunteers are crucial to the timely resolution of aircraft emergency

beacon activations, especially false alarms, and are so efficient that often no other resource is needed.

Defending North America: The Canadian NORAD Region and Operation NOBLE EAGLE

The Canadian NORAD Region is responsible for the control and surveillance of Canadian airspace, which is used by commercial aircraft on their way to destinations in Canada and the U.S. from Asia and Europe. NORAD employs a network of space- and ground-based sensors, as well as fighter, tanker and surveillance aircraft, co-ordinated by several control centers, to ensure the air sovereignty of North America.

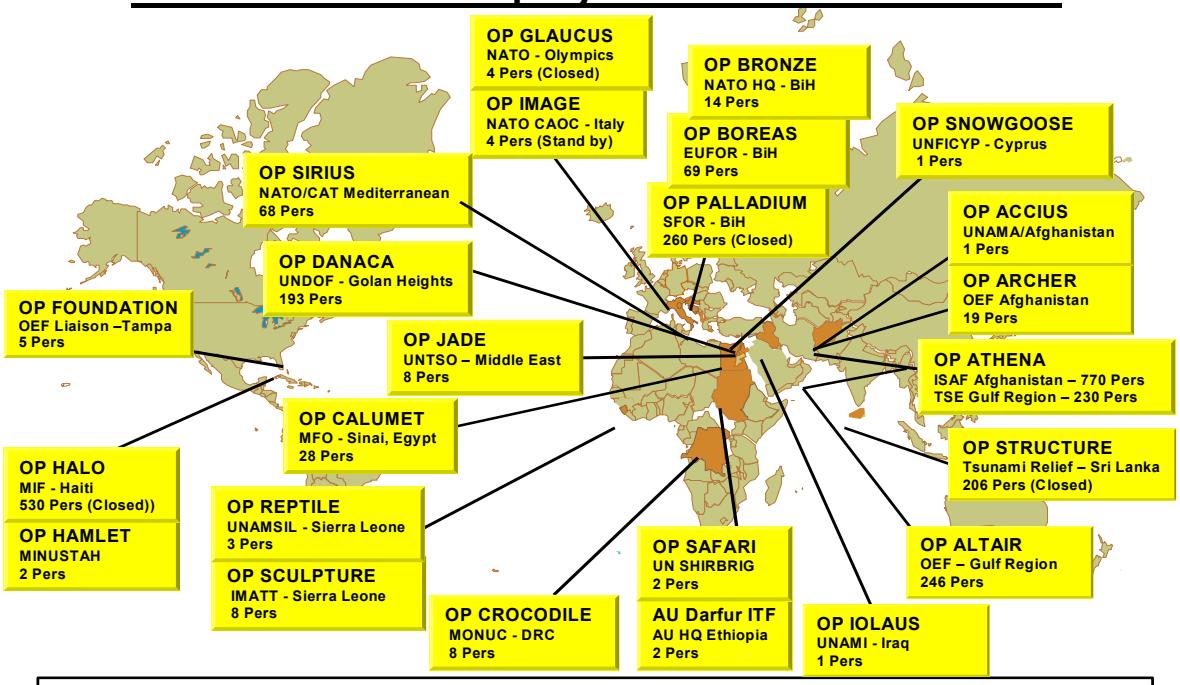
The mission of the Canadian NORAD Region is to detect, track and characterize all aerospace threats to North America, and to support operations that intercept and negate air threats. CF-18 Hornet aircraft flew more than 850 air sovereignty missions in support of *Operation NOBLE EAGLE*, NORAD's continental air defence mission.

Other CF personnel were assigned to Airborne Warning and Control System (AWACS) units at Tinker Air Force Base in Oklahoma and Elmendorf Air Force Base in Alaska. As mission commanders, flight and ground crew, and mission and technical support staff, these personnel made an important Canadian contribution to the increasingly complex airspace control mission in support of continental security. Canadians assigned to bi-national headquarters in Canada and the U.S. performed critical NORAD command, staff and support functions.

International Operations

During the reporting year, the CF deployed several international operations, contributing to the campaign against terrorism and participating in missions with international security organizations such as NATO and the UN to bring security and stability to many parts of the world.

CF International Deployments for FY 2004-2005



Source: DCDS (Correct as of 31 Mar 2005)

Alliances, Coalitions and International Security

Defence managed bilateral and multilateral security relations with other countries through a variety of mechanisms, particularly the UN, NATO and NORAD.

Canadian relations with the African Union (AU) were enhanced through CF support to the Darfur Integrated Task Force in Sudan. Defence also pursued increased engagement with countries in Latin America and the Asia-Pacific region through multilateral forums, and supported civil-military relations and peace-support capabilities in developing countries through the Military Training Assistance Program and the Pearson Peacekeeping Centre.

The CF also conducted bilateral and multinational exercises with ships and aircraft from NATO allies and fellow members of other coalitions. Helicopter detachments embarked in Canadian ships and CP-140 Aurora aircraft trained with units from NATO partners, the U.S., Japan, the UK, Chile, South Korea and Australia in support of maritime operations in Canadian and international waters. In some cases, Canadian ships provided essential augmentation to US Navy formations, greatly enhancing relations and interoperability with the United States.

Air force personnel in alliance-related assignments included a 114-strong contingent serving with the NATO Airborne Early Warning Force in Geilenkirchen, Germany, and personnel (including key command and staff officers) serving at NATO headquarters, such as Allied Forces North, Air North and Air South.

Canada also continued to provide NATO allies and other friendly nations with opportunities for basic and advanced flight training through the NATO Flying Training Centre, Foreign Military Training in Goose Bay and Exercise MAPLE FLAG.

Europe

NATO Stabilization Force (SFOR) — Operation PALLADIUM

Operation PALLADIUM was the Canadian commitment to Task Force Bosnia-Herzegovina (TFBH), part of the 8,000 – strong NATO force deployed following the series of wars that broke up the former Republic of Yugoslavia. On December 2, 2004, SFOR transferred responsibilities to the European Union Force (EUFOR). *Operation PALLADIUM* ended with the deployment of a 260 member Mission Close-Out Team that returned to Canada just before Christmas 2004.

European Union Force (EUFOR) — Operation BOREAS
NATO Headquarters Sarajevo — Operation BRONZE

EUFOR is the 7,000 – strong UN-mandated Chapter VII mission that assumed the responsibilities of SFOR for ensuring continued compliance with the Dayton Accords and the Paris Agreement. Its personnel come from both EU and non-EU nations. The Canadian contingent, Task Forces Balkans (TFB), comprises of two missions:

- ***Operation BOREAS*** – 73 members of the CF provide EUFOR with a Liaison Observation Team, a Field Support Team and staff officers; and
- ***Operation BRONZE*** – 10 members of the CF are assigned to the NATO Headquarters in Sarajevo.

NATO Support to the Athens Olympics — Operation GLAUCUS

Operation GLAUCUS was Canada's contribution to the NATO security mission supporting the XXVII Olympiad and Paralympics in Athens, Greece. The CF provided one NBCD advisor to the Crisis Management Support Team in Athens and three staff officers to the NATO Joint Force Command in Naples, Italy. Arrangements were also made to airlift medical supplies if required.

Middle East

United Nations Truce Supervision Organization (UNTSO) — Operation JADE

UNTSO was established in 1948 to monitor cease-fire agreements following the Israeli War of Independence. Seven CF Military Observers were deployed with UNTSO and a Lieutenant-Colonel has served as a Military Advisor to the UN Special Co-ordinator to the Occupied Territories (UNSCO) since November 2002.

United Nations Disengagement Observer Force (UNDOF) — Operation DANACA

UNDOF was established in 1974 to monitor the cease-fire between Israel and Syria on the Golan Heights. The CF contribution to this multinational mission consists of a 193-member logistics unit and several staff officers at UNDOF Headquarters. Planning commenced in 2004 to transfer some responsibilities to another troop-contributing nation.

Multinational Force and Observers (MFO) — Operation CALUMET

MFO is a non-UN mission deployed in the Sinai to supervise the peace between Israel and Egypt under the Camp David Accords of 1979. Canada's contribution to MFO was 28 personnel, including a Colonel who was both commander of the Canadian contingent and the MFO Chief Liaison Officer.

Africa

United Nations Standby High Readiness Brigade (SHIRBRIG) — Operation SAFARI

On December 18, 2003, a Canadian Brigadier-General assumed command of SHIRBRIG for a two-year term. In July 2004, SHIRBRIG deployed to Sudan as part of a UN peace-support mission operating between the Government of Sudan and a rebel group operating in the south of the country. In response to a UN request, two Canadian staff officers were assigned to the UN Advance Mission in Sudan (UNAMIS) returning to Canada in early 2005. Authority was given for 31 CF members to serve as UN Military Observers and on the mission headquarters staff. UN Security Council Resolution 1590 authorizing the United Nations Mission In Sudan (UNMIS) was adopted on March 24, 2005, and deployments of individual CF members on *Operation SAFARI* began after March 31, 2005.

African Union — Darfur Integrated Task Force (DITF) — Operation AUGURAL

DTIF is a multinational peace support mission, organized by the African Union (AU), operating in the Darfur region of Sudan. Two CF members were deployed in September 2004 to assist the AU during the planning and deployment of the DITF. Replacements were deployed in November 2004.

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

UNAMSIL was established to implement the Lomé Peace Agreement of July 7, 1999. CF members were deployed as Military Observers up to July 10, 2005, when the operation was terminated.

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

Under authority of the 1999 Lomé Peace Agreement, the mandate of the British-led IMATT is to provide military advice and training assistance to the Republic of Sierra Leone in the development of an effective and democratically accountable armed force. The CF contribution is eight personnel, with an increase to 11 in June 2005.

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

MONUC has a mandate to monitor and investigate violations of the 1999 Lusaka Ceasefire Agreement and to conduct disarmament, demobilization, repatriation, reintegration or resettlement operations. The CF contribute eight staff officers to MONUC Headquarters in Kinshasa and Kisangani.

Central America and the Caribbean

United Nations Multinational Interim Force (MIF) in Haiti — Operation HALO

A UN resolution passed on February 29, 2004, mandated a 90-day U.S.-led interim force to conduct stability and support operations in preparation for a UN-sanctioned stabilization force. Task Force Haiti (TFH), a contingent of about 530 CF personnel, included an infantry company, a detachment of six CH-146 Griffon tactical helicopters, a National Support Element, and a National Command Element. At the request of the UN, the task force remained in Haiti for about 150 days in preparation for the transfer of responsibilities to the United Nations Stabilization Mission in Haiti (MINUSTAH). TFH began its return to Canada on July 31, 2004, with all CF members returned by mid-August 2004.

Persian (Arabian) Gulf and Southwest Asia

United Nations Stabilization Mission in Haiti Headquarters (MINUSTAH HQ) — Operation HAMLET

Two Canadian Officers are assigned to MINUSTAH HQ in Port-au-Prince, Haiti. A Colonel is deployed as the Headquarters Chief Of Staff (COS) and a Major is responsible for the operations training section in MINUSTAH Headquarters.

International Security Assistance Force (ISAF) — Operation ATHENA

In August 2004, the CF commitment to the UN-mandated multinational NATO force deployed to ensure peace and security in and around Kabul, Afghanistan, was reduced to about 900 personnel. The CF contribution, Task Force Kabul (TFK), currently includes a Reconnaissance Squadron Group, "Role 2-plus" medical facility, Combat Engineer Squadron, National Command Element, National Support Element, Theatre Support Element and a Tactical Airlift Unit. The Tactical Airlift Unit flying CC-130 Hercules provided inter- and intra-theatre movement of passengers and freight. This unit also assembled and shipped humanitarian aid throughout southwest Asia. Task Force Kabul will be maintained at its present level to support the National Assembly elections planned for the fall of 2005.

International Campaign Against Terrorism — Operation FOUNDATION

Operation FOUNDATION consists of a five CF member liaison team at the headquarters of United States Central Command (CENTCOM) in Tampa, Florida to maintain awareness of CENTCOM's conduct of the international campaign against terrorism. In July 2005, the CF will also deploy two officers to CENTCOM HQ to serve in the Coalition Planning Group, one as Deputy Director.

International Campaign Against Terrorism — Operation ALTAIR

Operation ALTAIR commenced in January 2004, continuing Canada's military contribution to the U.S.-led international campaign against terrorism (*Operation ENDURING FREEDOM*), which began with *Operation APOLLO* (October 2001 to October 2003). *Operation ALTAIR*

consists of single-ship deployments on the understanding that there will be periods when Canada will not send a warship to the Persian (Arabian) Gulf to operate with the coalition fleet.

International Campaign Against Terrorism — Operation ARCHER

Operation ARCHER is the Afghanistan-based component of Canada's participation in *Operation ENDURING FREEDOM*. It consists of:

- Four Canadian staff officers at Combined Forces Command Afghanistan Headquarters (CFC-A HQ) in Kabul;
- Two Canadian staff officers at Combined Joint Task Force 76 Headquarters in Bagram; and
- 14 CF members involved in training Afghan National army personnel; and
- Beginning in August 2005, a Provincial Reconstruction Team in Kandahar.

International Campaign Against Terrorism — Operation SIRIUS

Since October 2001, NATO has conducted maritime operations under *Operation ACTIVE ENDEAVOUR* to deter and disrupt maritime terrorism in the Mediterranean Sea, defend NATO members against terrorists operating at sea, and demonstrate resolve and presence in the campaign against terrorism.

Operation SIRIUS, which commenced in October 2004, comprises Task Force Sigonella (65 personnel with two CP-140 Aurora long-range reconnaissance aircraft deployed from October to November 2004), and Task Force Mediterranean (HMCS *MONTRÉAL)* deployed from February to March 2005). Tasks performed under *Operation SIRIUS* during the reporting period included monitoring and surveillance of activity at sea, hailing ships, and tracking contacts of interest.

Humanitarian Assistance

Tsunami Disaster Relief — Operation STRUCTURE

Operation STRUCTURE was the CF contribution to the Government of Canada's response to the devastating Indian Ocean tsunami on December 26, 2004. The CF Joint Operations Group (CF JOG) played a key role in conducting the interdepartmental reconnaissance of Sri Lanka and Indonesia for *Operation STRUCTURE*, and advising the Government of Canada on the operational mandate for the Disaster Assistance Response Team (DART). The CF JOG also co-ordinated the rapid deployment of the DART, that left Canada on January 12, 2005, for Colombo, Sri Lanka. The air force provided essential personnel and airlift to transport the DART to Sri Lanka and transported humanitarian aid throughout southwest Asia.

Immediately upon arrival, the DART began humanitarian operations in the Ampara district. During the 40 days of its mandate, the DART medical teams treated approximately 7,628 patients, while engineers produced approximately 3,594,160 litres of drinking water. Additionally, the DART assisted in the clean-up and rehabilitation of many schools, hospitals and community centres and assisted in the transportation of approximately 68,200 people across a local waterway. By March 2005, the Land component of DART was reconstituted and is now ready for deployment. A total of 206 CF personnel were deployed on *Operation STRUCTURE*.

Deployments of Health Services Support Personnel

During the reporting period, 420 Health Services Support personnel were deployed overseas with appropriate equipment and supplies to support eight operations, most notably *Operation ATHENA*, *Operation DANACA*, *Operation HALO* and *Operation STRUCTURE*. During the summer of 2004, Canadian Forces Health Services Group advanced surgical centres were deployed simultaneously with *Operation ATHENA* and *Operation HALO*. These commitments imposed great pressure on the Canadian Forces Health Services Group, and were managed through the use of civilian staff, innovative medical evacuation techniques, and a strict limit on the deployment of the advanced surgical centre with *Operation HALO*.

Hurricane Season 2004

The autumn of 2004 was notable for a large number of severe hurricanes in the Caribbean Sea, including Frances, Ivan, Jeanne and Karl. The close monitoring of the effects of these storms by the CF resulted in a considerable contingency planning effort.

Although the CF did not mount a formal operation in the affected region, military assistance ensured that more than 200 tonnes of charitably donated goods, including medical supplies, food and clothing, were successfully assembled in Montreal and shipped to Haiti.

Arms-Control Verification Operations

The Treaty on Conventional Forces in Europe— Operation VERIFY

The military equipment limits imposed by the Conventional Armed Forces in Europe Treaty, along with its associated information and verification regimes, are the foundation of conventional military stability in Europe. Verification of types and quantities of major military equipment held by the 30 signatory states is accomplished through regular information exchanges and frequent on-site inspections. The treaty applies to the signatories' entire European landmass, including the parts of the Russian Federation and the Republic of Kazakhstan that lie west of the Ural Mountains.

Operation VERIFY comprised two Canadian-led inspections to Russia and Ukraine, and the participation of Canadian arms-control inspectors in 14 inspections led by other NATO-member signatories. Canada participated in the scheduled removal of Russian military capability from the Republic of Moldova, and was involved in the continuing effort to extract Russian military equipment from the Republic of Georgia. Canada also took part in the formal effort to adapt the Conventional Armed Forces in Europe Treaty to the current European security dynamic.

The Vienna Document 1999 — Operation QUESTION

The Vienna Document is the compendium of confidence- and security-building measures ratified by all 55 states of the Organization for Security and Co-operation in Europe, and applicable to the entire area of Europe, Russia and Central Asia. Under *Operation QUESTION*, Canada is authorized to conduct intrusive inspections and evaluations to verify the signatories' compliance with the Vienna Document 1999, including observation of new military capabilities and major military exercises. In 2004, Canada conducted two inspections in Malta and the Republic of Kazakhstan and one evaluation in the Republic of Armenia, and participated in a British-led

inspection in the Republic of Moldova. Canadian inspectors also took part in confidence- and security-building visits to Greece and Austria.

Dayton Peace Accord — Operation MENTOR

The Dayton Peace Accord of 1995 ended the war among Bosnia's three ethnic groups, established Bosnia-Herzegovina as a unified state, and brought the five states of the former Republic of Yugoslavia most affected by the Balkan wars of the 1990s into an arms-control regime essential to the maintenance of a stable peace in the region. Canada contributes Assisting Officers to both the participating states' inspection teams and to the escort teams of states being inspected. In 2004, Canada assisted Republic Srpska with three sequential inspections by Serbia and Montenegro, and helped Croatia conduct one inspection in Republic Srpska.

The 1992 Treaty on Open Skies — Operation ACTIVE SKIES and Operation PASSIVE SKIES

The 1992 Treaty on Open Skies is the product of a collective endeavour to increase openness and transparency in the military activities of the 22 signatories. It strengthens peace, stability and co-operation achieved by other arms-control agreements, through airborne reconnaissance of sites such as military bases, ports and industrial centres. During the reporting period, Canada conducted two flights of its annual quota under *Operation ACTIVE SKIES* over the territory of the Russian Federation, one flight in co-operation with the U.S. over Ukraine, and one flight shared with Hungary over Croatia. In 2004, under *Operation PASSIVE SKIES*, Canadian airspace was open to one flight by the Russian Federation from its annual quota. The CF also supported observation aircraft passing through Canadian airspace on their way to the United States.

For additional information on arms control and verification missions, visit: http://www.dfait-maeci.gc.ca/arms/menu-en.asp.

Evacuations of Canadians

Although no Canadians living abroad were evacuated from a hazardous area during the reporting period, through training and exercises DND and the CF maintained their ability to help Canadians escape from areas threatened by conflict or disaster.

Costs of CF International Operations

Operations ($ millions)	PLANNED SPENDING 2004–2005		ACTUAL SPENDING 2004–2005			
	Full DND Cost*	Incremental DND Cost**	Full DND Cost*	Incremental DND Cost**	Est UN Revenue to CRF***	Est UN/MFO Revenue to DND***
AFRICA						
UNAMSIL – *Op REPTILE* (Sierra Leone)	0.6	0.2	0.6	0.2	0.0	0.0
IMATT – *Op SCULPTURE* (Sierra Leone)	4.0	0.4	4.0	0.4	0.0	0.0
MONUC – *Op CROCODILE* (Democratic Republic of the Congo)	1.3	0.3	1.3	0.3	0.0	0.0
UNAMIS – *Op SAFARI* (Soudan)	0.0	0.0	0.2	0.1	0.0	0.0
AMIS – *Op AUGURAL* (Addis Ababa)	0.0	0.0	0.4	0.2	0.0	0.0
Sub-total: Africa	**5.9**	**0.9**	**6.5**	**1.2**	**0.0**	**0.0**
PERSIAN (ARABIAN) GULF REGION AND SOUTHWEST ASIA						
ISAF – *Op ATHENA* (Kabul, Afghanistan)	671.0	390.0	578.0	297.0	0.0	0.0
Op ALTAIR (Southwest Asia)	45.8	20.6	32.1	6.9	0.0	0.0
UNAMI – *Op IOLAUS* (Iraq)	0.0	0.0	0.2	0.1	0.0	0.0
UNAMA – *Op ACCIUS* (Kabul, Afghanistan)	0.2	0.1	0.2	0.1	0.0	0.0
DART – *Op STRUCTURE* (Sri Lanka)	0.0	0.0	29.4	9.4	0.0	0.0
Sub-total: Persian (Arabian) Gulf Region and Southwest Asia	**717.0**	**410.7**	**639.9**	**313.5**	**0.0**	**0.0**
CENTRAL AMERICA AND THE CARIBBEAN						
MIF HAITI – *Op HALO*	109.0	50.0	86.8	27.8	0.0	0.0
MINUSTAH – *Op HAMLET* (Haiti)	0.1	0.0	0.1	0.0	(0.9)	0.0
Op FOUNDATION (US CENTCOM Tampa)	0.8	0.4	0.8	0.4	0.0	0.0
Sub-total: Central America and the Caribbean	**109.9**	**50.4**	**87.7**	**28.2**	**(0.9)**	**0.0**
EUROPE						
SFOR – *Op PALLADIUM* (Bosnia) NATO	121.6	44.2	122.7	45.3	0.0	0.0
Op BRONZE (Bosnia)	0.0	0.0	10.1	2.7	0.0	0.0
Op SIRIUS (Sigonella)	0.0	0.0	31.7	1.4	0.0	0.0
Sub-total: Europe	**121.6**	**44.2**	**164.5**	**49.4**	**0.0**	**0.0**
MIDDLE EAST						
UNTSO – *Op JADE* (Middle East)	1.5	0.7	0.9	0.1	0.0	0.0
UNDOF – *Op DANACA* (Golan Heights)	29.8	8.2	24.5	2.9	(3.4)	(1.0)
MFO – *Op CALUMET* (Sinai) non-UN	3.0	0.5	2.9	0.9	0.0	(1.0)
UNFICYP – *Op SNOWGOOSE* (Cyprus)	0.3	0.1	0.3	0.1	0.0	0.0
Sub-total: Middle East	**34.6**	**9.5**	**28.6**	**4.0**	**(3.4)**	**(2.0)**
COMMON COSTS						
Others****	0.0	0.0	8.4	8.4	0.0	0.0
Sub-Total: Common costs	**0.0**	**0.0**	**8.4**	**8.4**	**0.0**	**0.0**
CLOSED MISSIONS						
Op APOLLO	0.0	0.0	17.4	17.4	0.0	0.0
Op KINETIC	0.0	0.0	0.4	0.4	0.0	0.0
OTHERS	0.0	0.0	0.0	0.0	0.0	(0.5)
Sub-Total: Closed Missions	**0.0**	**0.0**	**17.8**	**17.8**	**0.0**	**(0.5)**
Total: Operations	**989.0**	**515.7**	**953.4**	**422.5**	**(4.3)**	**(2.5)**

Source: Deputy Chief of the Defence Staff and Assistant Deputy Minister (Finance and Corporate Services)

Notes:

* "Full DND Cost" is the cost to DND for the operation. It includes civilian and military wages, overtime pay and allowances; the full costs of petroleum products, spares, and contracted repair and overhaul; and depreciation and attrition of all equipment involved.

** "Incremental DND Cost" is the cost to DND that exceeds the costs of personnel and equipment involved if they had not been deployed on the operation. It is derived from the "Full DND Cost" by subtracting the costs (e.g. wages, equipment depreciation and attrition) that would otherwise have been spent on normal activities and exercises.

*** Reimbursement for personnel costs accrues to the Consolidated Revenue Fund, and reimbursement for Operations and maintenance costs accrues to DND.

**** Common costs are expenses related to more than one mission and therefore cannot be captured separately under a specific operation.

For additional information on current operations visit:
http://www.forces.gc.ca/site/operations/current_ops_e.asp

Conclusion: Conduct Operations

Defence provided the capability to conduct operations effectively in Canada and around the world through efficient, professional maritime, land and air forces supported internationally and domestically by many partners and agencies. This capability program included surveillance and control of Canadian territory, support to other Canadian government departments and agencies, continental operations through NORAD, and international operations in conjunction with NATO, the UN and coalitions of like-minded countries. Through these engagements, the CF made a valuable contribution to Canadian values and interests.

Generate Forces

To ensure success in the numerous operations and missions Defence conducts at home and abroad it must be supported by effective, efficient and combat-capable maritime, land and air forces, professional and efficient civilian personnel and equipment that is modern, multi-purpose, cost-effective and capable of achieving assigned defence tasks.

Planned Results

The Generate Forces capability program provided Defence with the personnel, equipment and organizational structures needed to achieve its mission through such activities as:

- recruiting, training and deploying combat-capable forces;
- recruiting and training civilian employees; and
- meeting readiness levels related to force-generation through transformation and modernization initiatives.

Resources

Generate Forces: Resources Consumed Net of Revenues					
	Actual Spending 2003–2004	**Actual Spending Without OCIPEP 2003–2004**	**Planned Spending 2004–2005**	**Authorities 2004–2005**	**Actual Spending 2004–2005**
Departmental Spending ($ thousands)	$1,707,069	$1,707,069	$1,992,930	$1,998,257	$2,004,806
Capital Spending ($ thousands) (included in Departmental Spending)	$122,096	$122,096	$173,691	$238,938	$236,611
Human Resources–Military (FTEs)	14,223	14,223	13,466	n/a	13,265
Human Resources–Civilian (FTEs)	3,672	3,672	3,527	n/a	3,646

Modernizing and Transforming the Force

Conceive and Shape the Force

The current security environment calls for professional, highly trained armed forces capable of using new technologies effectively in joint, interagency and multinational operations. New technologies offer fast, flexible solutions to such operational challenges as delivering force precisely in a war zone, or monitoring the flow of refugees in a humanitarian crisis. The CF have embraced these new technologies, and continue to invest in training and equipping Regular and Reserve personnel to ensure they remain amongst the most highly trained, technologically adept soldiers, sailors, and air force personnel in the world.

The transformation process involved blending existing and emerging systems and structures to create enhanced capabilities relevant to future missions, roles and tasks. It focused on people, technology, ways of conducting operations and ways of thinking.

Plan the Force

In fiscal year 2004–2005, the Government set out to review its international policies, which included a separate but complementary defence policy review.

Throughout the review process, it was particularly important for Defence to balance the demands of military service with the needs of CF members and their families.

Defence also ensured it had the capacity to contribute militarily to the international peace and security efforts that make Canada and the world safer by providing the CF with the best equipment possible. In this respect, the government demonstrated its commitment to the CF in July 2004 when it announced the decision to move forward with the acquisition of the new maritime helicopter — the CH-148 Cyclone.

The following are some initiatives, undertaken in fiscal year 2004–2005 that supported the transformation and modernization of the CF through research, experimentation and simulation.

Operational Test & Evaluation Group

During fiscal 2004–2005, the Operational Test and Evaluation (OT&E) Group conducted many OT&E events and operational tests. Highlights included the conduct of OT&E event with submarines from the US Navy and Royal Australian Navy; an experiment with wireless technology for naval boarding parties; and participation in the risk-reduction firing of the evolved Sea Sparrow missile.

Maritime Synthetic Environment Co-ordination Office

The staff of the Maritime Synthetic Environment Co-ordination Office was primarily engaged in establishing a synthetic environment capability for Maritime Command through the Canadian Forces Maritime Warfare Centre. Most activity focused on the "War in a Box" exercise planned for March 2006, and planning conferences scheduled for May, September and January 2005. Other activity included participation in the Joint Simulation and Modelling for Acquisition, Requirements and Training Support (JSMARTS) Workshop, and attendance at the Joint Warrior Interoperability Demonstration (JWID), both of which were held in Ottawa in June 2004.

Defence Research & Development Canada

Defence Research & Development Canada (DRDC) is dedicated to the effective conduct of operational research and analysis projects that support DND and the CF, and the development of technologies that support future defence capabilities. Here are four highlights of DRDC work in fiscal 2004–2005:

1) *Centre for Operational Research and Analysis*

During the reporting period, DRDC conducted research projects to support future defence capabilities and national security. The Centre for Operational Research and Analysis (CORA) provided operational research and analysis services directly to DND and the CF. CORA played an important role in developing key documents, such as *The Future Security Environment 2025*.

CORA completed about 30 human resources research projects on social and managerial trends during fiscal 2004–2005, and is conducting 55 more related to: generating military personnel, developing military career policies, optimizing learning and development, the *Employment*

Equity Act, promoting wellness and health, supporting personnel, supporting operations, diversity, human resources governance, military human resources management, and Defence culture.

2) *Future Armoured Vehicle Systems*

To assess the merits of emerging vehicle technologies and predict human performance and battlefield effectiveness, DRDC developed the Future Armoured Vehicle Systems (FAVS). In technical and tactical trials, FAVS compared the performance of a real vehicle fitted with technologies such as immersive visualization, vehicular radar and infra-red sensors to the performance of a virtual vehicle with similar integrated technologies. FAVS will have a significant impact on the army, as several of the demonstrated technologies are likely to be used as the basis for capability specifications or requirements specifications.

3) *Capability-Based Simulation Model*

To support the navy force-structuring effort, DRDC created a capability-based simulation model to help identify the most effective mix of capabilities and capacities for the navy of the future. The capability-based simulation model assigns platforms (e.g., ships, submarines, aircraft) to missions in the combination that best meets the capability demands of the mission. It includes the maintenance requirements and readiness profiles of the assigned platforms, and quality of life and personnel tempo requirements of the crew.

This study will produce recommendations for the composition and size of the future fleet, the prioritization of future naval capability requirements, and the allocation of resources to operations and maintenance and capital spending budgets in the near term.

4) *Canadian Forces Experimentation Centre*

The Canadian Forces Experimentation Centre (CFEC) collaborated with the Air Force Experimentation Centre to initiate a trial of a concept development and experimentation (CD&E) process using the Silver Fox uninhabited aerial vehicle, a “mini-UAV”, acquired for joint collaboration. This CD&E process will be the basis for rapid operational deployment of new technology.

Defence scientists employed by DRDC are on staff at CFEC to support joint CD&E. As part of an ongoing effort to refine the concepts of network-enabled operations and effects-based operations, DRDC contributed to two large experiments: the Atlantic Littoral Intelligence, Surveillance & Reconnaissance Experiment and the Multinational Experiment III.

Generate Personnel–Military

Generate Operational Forces

The Government announced in the 2004 Speech from the Throne and the Budget 2005 that the CF will be increased by 5,000 Regular and 3,000 Reserve personnel.

The Assistant Deputy Minister (Human Resources – Military) assembled a team to review all human resource implications of the Budget 2005 direction to expand the CF by 5,000 Regular

Force and 3,000 Reserve Force personnel and develop an implementation plan by the fall of 2005.

Readiness Verification

During fiscal 2004–2005, the Director Human Resources Information Management fielded a new Readiness Verification Report that presents an overall summary of the readiness of Commands and Groups through subordinate formations to unit level, with detailed reporting to the level of individual CF members. The Readiness Verification Report gives commanders and managers at all levels information they need not only to monitor operational readiness across the CF, but also to ensure that every CF member of every unit is prepared to deploy on operations when called for.

For example, the army reduced its commitments in August 2004 in order to reduce PERSTEMPO and regenerate its Operational Forces. Furthermore, once the army fully reasserts its international commitments in February 2006, the Vanguard brigade group will be replaced by two task forces sustained indefinitely and one surge task force commitment according to the new Defence Policy Statement.

Recruiting and Retention

External Recruiting

The CF Recruiting Group (CFRG) is responsible for recruiting civilians into the CF in accordance with targets set out in the annual Strategic Intake Plan (SIP). The following table outlines CFRG performance in fiscal 2004–2005 against the SIP targets. CFRG improved the distribution of occupations across the CF, although some external recruiting targets were not achieved.

SUCCESS RATE: EXTERNAL RECRUITING			
	SIP Target 2004–2005*	**Actual Recruiting 2004–2005**	**Success Rate**
Non-commissioned members	3,621	3,469	95.8%
Officers	1,001	853	85.2%
Overall	**4,622**	**4,322**	**93.5%**

Source: Assistant Deputy Minister (Human Resources – Military)
* Based on Strategic Intake Plan (SIP) version 20.1

The Public Affairs advertising group provided direct support to CF recruitment. There are a multitude of elements affecting the CF's ability to recruit — advertising is only one. In that context, meeting SIP targets cannot be taken as the sole measure of success of a recruitment advertising campaign. Nevertheless, despite the fact that advertising for fiscal year 2004–2005 did not commence until late in the fiscal year due to a government wide moratorium on advertising, recruitment advertising was instrumental in supporting CFRG in its effort to meet the SIP targets. On quantitative and qualitative levels, the findings of a tracking survey conducted in March 2005 to provide some measures of the effectiveness of the advertising conducted in fiscal year 2004–2005 are still pending at this time and due to the late advertising campaign launch, a post-campaign evaluation research was not conducted in 2004–2005.

The air force faced particularly difficult external recruiting challenges due to a number of factors. Various initiatives were developed to improve the situation. The objectives of the basic qualification training were revamped by shortening courses and adding facilities and resources. Work was undertaken to update personnel selection procedures with an investigation of new personnel selection tools, and a review of selection standards.

Internal Recruiting

CFRG is also responsible for internal recruiting, which comprises voluntary and compulsory occupational transfers of trained CF members. An occupational transfer is a mean by which the CF can retain the valuable experience and skills of serving members who cannot remain in their previous occupation but are still fit, willing to serve, and able to be retrained. It also helps the CF fill several occupations for which recruits are hard to find.

SUCCESS RATE: INTERNAL RECRUITING			
	SIP TARGET 2004–2005*	ACTUAL RECRUITING 2004–2005	SUCCESS RATE
Non-commissioned members	685	685	100.0%
Officers	367	441	120.1%
Overall	**1,052**	**1,126**	**107.2%**

Source: Assistant Deputy Minister (Human Resources – Military)
* Based on Strategic Intake Plan (SIP) version 20.1

Military Recruiting and Retention Initiatives

New Military Occupations

Under the Military Occupational Structure Analysis, Redesign and Tailoring (MOSART) initiative, a new Paralegal military occupation was created to provide legal support personnel qualified to deploy with legal officers, thus increasing the accessibility, efficiency and effectiveness of military legal services in both the advisory and litigation roles.

Trained Effective Strength

The gap between personnel strength and personnel requirements was measured continuously throughout the reporting period. Trained effective strength — that is, the number of CF members trained and ready for their functional or occupation-specific tasks — peaked at 53,651, or 100.75 percent of the forecast. The gap continues to shrink with a positive year over year trend, since fiscal year 2002–2003, moving from a 4.19% vacancy rate to 2.39% in fiscal year 2004–2005 of required positions to trained effective strength personnel to fill them.

Availability for Deployment

"Deployability" of CF members is critical to operational readiness. Operational conditions change constantly, and the criteria for selecting personnel for deployments change with them. Therefore, the best indicator of the broad range of conditions that affect deployability is availability, calculated by subtracting the number of CF members on long leave and training from the trained effective strength of the CF. Average availability of CF members for deployment in fiscal year 2004–2005 was 51,902, or 97.12 percent of trained effective strength.

The trend is positive with the numbers of CF members available increasing from 50,959 in fiscal year 2002–2003.

Attrition: Actual vs Forecast

The forecast attrition in the Regular Force for fiscal 2004–2005 was 4,339, and actual attrition totalled 4,132 or 95.23 percent of forecast, and 6.32 percent of total strength. The Regular Force attrition trend has been relatively constant during the last five years, ranging from a low of 5.35 percent in fiscal 2003–2004 to the current peak, and averaging 5.91 percent.

Development of Military Career Policies

In July 2004, the Regular Force Terms of Service Project implemented the policy to raise the compulsory retirement age to 60 years in both the Regular Force and Primary Reserve Force.

In March 2005, the approval of an amendment to the Canadian Forces Superannuation Regulations that defines the new "intermediate engagement" of 25 years established the last element of the legal basis for implementing most of the remaining changes to Regular Force terms of service.

Primary Reserve

The Reserve Force is essential to the CF mobilization-planning doctrine. Reservists provided the CF with a proven cost-effective way to increase the CF capacity required at each stage of mobilization.

For detailed information on the Reserve Forces, see Section 5.

Promote Diversity and Inclusiveness

CF Recruiting Centres and Recruiting Detachments continued the development of a diversity recruiting initiative by dedicating 20 person years and $1 million in operations and maintenance funding to efforts targeting groups identified as "underrepresented". Currently, there is no capability to track specific groups other than women because the data is tracked by gender on enrolment. Other underrepresented groups have to voluntarily self-identify which, does not represent the entire target group. In fiscal year 2004–2005, the CF recruited 1,414 women, representing 15.3 percent of overall recruiting results.

Publications

The CF are proactive in promoting and supporting a diversified culture and have developed a number of publications aimed at enhancing the understanding of, and respect for, Canadian multiculturalism. "*For My Country*" was published in fiscal year 2004–2005. The CF continue to promote the publication "*A Tip Book for the Canadian Forces*" to all CF leaders and supervisors to foster an appreciation of the benefits of diversity and Employment Equity (EE) in the workplace.

Military Learning and Professional Development

Qualification Training and Specialty Training

The Public Affairs Training and Professional Development program for 2004-2005 led to new and advanced training for Public Affairs Officers as well as other DND/CF clients, ensuring all communicators can convey departmental messages and respond to crisis situations. As a leader in Government and operational communications, the training carried out by Training and Professional Development fostered relationships with our allies and other government departments, creating opportunities to provide public affairs training to these groups.

The Office of the Judge Advocate General (JAG) offered courses on the law of armed conflict and military justice to ensure that the CF uphold the rule of law when deployed on operations. During fiscal 2004–2005, JAG staff conducted 53 courses, training 1,675 CF personnel.

Training/Education Costing Model

A costing model was implemented in March 2005 to more accurately forecast Individual Training and Education requirements and costs.

Personal Enhancement Program

A revised suite of education reimbursement programs was implemented in 2004-2005 for the Regular Force and Primary Reserve following a comprehensive review aimed at promoting continuous learning. While full-time subsidized education programs remained unchanged, the Education Reimbursement portion of the Personal Enhancement Program was replaced by a Regular Force Education Reimbursement Program (part-time), a Primary Reserve Education Reimbursement Program, and a Skills Completion program to upgrade military skills and experience to ease the transition to civilian employment upon completion of military service. Individual Learning Plans were introduced as part of the approval and counselling process. For more information, visit http://www.cda.forces.gc.ca/er/engraph/home_e.asp

Centre for National Security Studies

The Canadian Defence Academy (CDA) continued examining the revitalization of a Centre for National Security Studies and is currently refining the Homeland Security area of responsibility.

Professional and Leadership Development for All Ranks

During the reporting period, the Canadian Forces Leadership Institute continued to conduct a wide variety of research in the area of leadership, including the Socialization of Officer Cadets at RMC; Requisite Leader Attributes for the CF; and In the Breach: Perspectives on Leadership in the Army Today. It also launched the Strategic Leadership Writing Project to produce a distinct Canadian body of operational leadership knowledge. To access CFLI research papers, visit: http://www.cda.forces.gc.ca/Canadian ForcesSLI/engraph/research/research_e.asp.

The Canadian Forces Leadership Manual framework endorsed by the Armed Forces Council on April 28, 2004 has been incorporated into the CF system of manuals and doctrine on leadership and the profession of arms. *Leadership in the Canadian Forces: Doctrine* and *Leadership in the CF Conceptual Foundations*, published by the Canadian Forces Leadership Institute in March

2005, are available in PDF format at: http://www.cda.forces.gc.ca/CANADIAN FORCESLI/engraph/leadership/leadership_e.asp

Generate Personnel–Civilian

Recruiting and Retention

Public Service Modernization Act

The approval of the *Public Service Modernization Act* (PSMA) changed the way labour relations and staffing are conducted and as a result, required a significant cultural change in the overall approach to civilian HR management. For example, the introduction of increased flexibility and strengthened accountability in the HR regime make it easier to attract, hire and retain the best people.

In fiscal year 2004–2005, the Assistant Deputy Minister (Human Resources – Civilian) [ADM (HR–Civ)] focussed energies on PSMA training for both HR practitioners and DND managers to impart the knowledge, skills and competencies required.

Recruiting for the Future

A multi-year recruiting effort to address shortages of critical competencies in the Defence civilian workforce began in the spring of 2003. During this reporting period, civilian recruiting strategy focused on six groups: Computer Science (CS), Engineering (EN), General Labour and Trades (GL), Purchasing and Supply (PG), Ship Repair (SR) and Ships' Officers (SO).

During fiscal year 2004–2005, ADM (HR–Civ) developed the first Strategic Intake Plan (SIP) for Defence employees. It identified horizontal issues and trends to help Defence recognize shortages of critical skills and formulated strategies to correct them. Also during this reporting period, a Human Resources Plan was developed for the Executive (EX) group, and staffing officers were assigned specifically to convert the work done by contractors to indeterminate civilian positions.

Retention

Retention strategies undertaken during the reporting period included:

- Work to determine both the quantitative and the qualitative data linked to retention issues with the expectation of delivering a departmental retention strategy to address gaps and deficiencies by fiscal year 2005–2006;
- Development of a pilot Leadership Development Program (LDP) for feeder groups to ensure succession planning at the executive level. The pilot is due to be launched in fiscal year 2005–2006 with full implementation of the LDP planned for March 2008;
- Informing the Civilian Human Resources Committee (CHRC) regarding the Executive Performance Management Program and disseminated EX employment equity statistics to Level 1s; and
- Holding a DND Executive Conference in November 2004. Topics included DND Priorities and Future Directions; Expenditure Management Review: Common Administrative Services; and the Modern Management Agenda.

Developments in Hiring and Retention

During the reporting period, ADM(HR–Civ) staff:

- Developed and distributed brochures promoting Defence as an employer of choice for civilians to CF Recruiting Centres and regional job fairs;
- Conducted a horizontal issues and trends analysis of Group and Command HR plans;
- Identified surge requirements in terms of turnover, growth, contractor conversion and project staff requirements; and
- Approved a Wellbeing Framework as a key pillar for the retention of the civilian workforce. The framework presents different aspects of wellbeing. Employees who feel "well" at work are more likely to stay with the organization, are more motivated and show commitment to their work.

Public Service Employment Act

The *Public Service Employment Act* coming into force in December 2005 is intended to modernize hiring and promotion in the Public Service of Canada, redefine "merit" in the Public Service context, and establish new recourse mechanisms. During fiscal 2004–2005, Defence prepared for the new legislation by:

- Consulting management and unions on a new departmental staffing framework;
- Developing new policies, guidelines and tools;
- Strengthening the role of human resources planning in the staffing process; and
- Ensuring that human resources management systems were adapted to new legislated requirements.

ADM(HR–Civ) staff also conducted a clause-by-clause impact analysis of the *Public Service Employment Act (PSEA)*, and produced a PSEA project implementation plan and consultation, learning and communication strategies. The first HR community workshop was held in February 2005 to address policy and guideline requirements.

Diversity and Inclusiveness

The promotion of diversity and inclusiveness in the workplace remain ongoing corporate priorities and are, in fact, central to achieving the Defence Mission. Diversity is a source of strength and creativity, and plays a pivotal role in making the organization modern and forward-looking. The Canadian Human Rights Commission declared that DND was fully compliant with the 12 statutory requirements of the *Employment Equity Act* and the Department has begun implementing its post-compliance strategies.

Classification

The Public Service Human Resources Management Agency of Canada (PSHRMAC) provided guidance on classification system reform in July 2004. DND has implemented the first phase of change to be followed by additional change in fiscal year 2005–2006.

In preparation for the TB classification policy changes, a classification reform action plan was developed and was presented to the Civilian Human Resources Planning and Coordinating Committee in November 2004. The action plan included quarterly disclosure of position reclassifications on the web, starting October 2004. This information is available at: http://www.forces.gc.ca/hr-civ/engraph/ReclassBD_e.asp

Work Descriptions

During the reporting period, ADM (HR-Civ) developed 63 generic work descriptions and began to address issues of governance, classification practice and culture change that are necessary precursors to the wide use of generics within DND. To develop generics, ADM (HR-Civ) will work from an extensive inventory of work descriptions created for the Universal Classification System. An on-line Committee Readiness Kit was also developed for managers who will sit on classification committees.

Internship and Apprenticeship

Consistent with the public service-wide initiative to strengthen the policy function in government, the Policy Group seeks to ensure that the Department maintains a cadre of qualified and knowledgeable policy officers. To do so, it manages the Policy Officer Recruitment Program through which it hires talented individuals possessing a minimum of a Master's degree in policy and defence-related fields. This intern program, which began in 1987 as an ad-hoc, two-year program, has become a successful five-year recruitment and development opportunity for policy officers.

In order to provide a range of experience, interns are placed in a number of different 12-month assignments both within and outside the Policy Group. Interest in the program has been increasing steadily throughout DND. In addition to the Policy Group, individuals have been assigned to public affairs, infrastructure and environment, the Maritime Staff, and both the VCDS and DCDS organizations.

In addition, eight business cases were submitted to establish or extend apprenticeship programs, or develop succession plans for occupations subject to high attrition, such as Computer Science Administration (SC), Firefighters (FR), General Labour and Trades (GL&T), Engineering (EN), Heating, Power and Stationary Plant Operation (HP), Ships' Officers (SO) and Ship Repair (SR). For example, Maritime Command conducts apprenticeship programs in partnership with Human Resources and Skills Development Canada, provincial employment departments, and colleges and universities. Despite these efforts, shortages remain in key operational and support occupations, especially the SO, SC and EN groups, caused by the high skill requirements of Defence work, and stiff competition from the private sector for construction trades.

The ADM (HR-Civ) Functional Assessment of Executive HR plans completed in January 2005 highlighted concerns related to our key corporate priority of aligning workforce renewal processes to better meet departmental and CF needs. As a result, one recommendation for action was to fund a study of apprenticeship programs across Groups/Commands to ascertain best practices, identify gaps and potential synergies, and recommend priorities for action. This study will be conducted in fiscal year 2005–2006.

Civilian Learning and Professional Development

Defence supported a learning culture by approving the Civilian Continuous Learning and Development Policy and introducing the Personal Learning Plan. Approval was received for the proof of concept for the Learning Management System/Learning and Career Centre Network and the DND Civilian Learning and Professional Development Framework. The Department also awarded 15 scholarships to civilian employees.

ADM (HR Civ) Performance Measurement

Performance measurement in ADM (HR-Civ) has focused predominantly on the strategic objective of Timely and Effective Service. To that end, regular reports on the speed and volume of staffing, classification, and staff relations transactions have been prepared for management review and corrective action. The first Client Satisfaction Survey was administered this fiscal year and the results were integrated in the performance measurement framework. This survey provided a picture of client satisfaction levels with the various HR services. Ten of the eleven HR services received a satisfaction level of 70 percent or higher. Overall, the results were very positive.

Joint Military and Civilian Learning

Defence Learning Network

The Defence Learning Network (DLN) project continued to build the infrastructure to deliver "e-learning" (computer-based self-directed training) to Defence workstations across Canada through departmental information systems, and to deployed CF members through the Internet, applying the anywhere, anytime and just-in-time philosophy. The DLN project directly supports the Treasury Board's Government On-Line (GOL) initiative and the Canadian Government's thrust towards more effective use of technology.

An existing network of sixteen Learning and Career Centers in major centres across Canada provided varying levels of learning, training and career services to military and DND civilian populations. The DLN project has gained international recognition[6] for its work in e-learning standards and its implementation of one of only three Advanced Distributed Partnership Labs in the world, which is located in Ottawa. This Lab primarily provides support to courseware designers and instructional designers across DND and the CF through research and development, testing, evaluation and demonstration of content, courseware and tools. Consequently, DND was recognized as a substantive voice in global "e-learning" and the project provided services to a growing number of people on its Learning Management System.

Strategic Training and Experimentation

Canadian Manoeuvre Training Centre

The establishment of the Canadian Manoeuvre Training Centre (CMTC) is the cornerstone initiative to army transformation. CMTC will provide the CF with a world-class force-on-force collective training institution that will prepare Tactical Self Sufficient Units to operate, survive,

[6] United States Office of the Secretary of Defence, Director Readiness and Training "Certificate of Appreciation"

fight and win in the new global security environment. During this reporting period, work began to establish the CMTC in two phases: Initial Operating Capability, scheduled for April 2006 and Final Operating Capability (FOC). The FOC will be incremental with new capabilities being integrated into the training as they are fielded.

Training Exercises and Experimentation

Defence Research and Development Canada (DRDC) participated in Unified Defence 2004, a major US Northern Command exercise in Colorado Springs with both military and civilian participants. The scenario consisted of many public security and military response events, including nuclear detonation, natural disasters and disease outbreaks requiring extensive collaboration and consultation between the national governments and within each nation's government departments and agencies. Such collaboration stresses strategic partnering, and engages the numerous planning and training options being developed under the Strategic Collective Training Plan.

DRDC participated in the NATO Research & Technology Organization (RTO) demonstration of "First WAVE" (or "Warfighter Alliance in a Virtual Environment"). This demonstration of new training capabilities enabled by advanced simulation technology was the largest, most complex activity ever undertaken by the RTO, and featured networked, real-time simulation of combined air operations. It brought together personnel, training simulators and systems from Canada, France, Germany, Italy, the Netherlands, the UK and the United States. The demonstration showed that distributed simulation could contribute significantly to transformation, and enhance and complement national training.

Research and Technical Studies

The DRDC Suffield research centre acquired a new CB^{plus} facility that provides a leading science and technical capability in exposure-chamber based chemical/biological protection. The new facility permits scientists to conduct research and technical studies in materials science and in the performance of military and first responder personal protective systems used against toxic chemical and biological compounds. It also serves as a platform for research on chemical and biological detection and identification systems, and for defining medical countermeasure protocols.

Provide Equipment

Equipment is a vital aspect of transformation. Defence must keep up with technological change, blending the equipment we have now with emerging systems while ensuring interoperability with the U.S. and other coalition partners.

The following projects were identified as priorities in fiscal year 2004–2005.

Maritime Helicopter Project

The purpose of this project is to replace the CH124 Sea King with a fleet of 28 new fully equipped CH–148 Cyclone Maritime Helicopters (MH) bundled with a long-term in-service support contract and modify the Halifax class ships to accommodate the new maritime Helicopters. This replacement will address the operational deficiencies of the current CH124,

eliminate the supportability difficulties of the older airframe, and provide a sufficient fleet size of multi-purpose shipborne MH for operations well into the 21st century.

After a thorough bid evaluation process, the Government of Canada announced, on 23 July 2004, the selection of the H92 proposed by Sikorsky International Operations Inc as the winner. The MH Acquisition and In-Service Support Contracts were awarded on 22 November 2004.

Mobile Gun System

The Mobile Gun System Project will deliver 66 armoured fighting vehicles with associated integrated logistics support. These vehicles will be fully developed, requiring only minimal modifications to accommodate Canadian equipment. The project's critical timings are designed to coincide with the development and production schedule of the US Army's Stryker project to ensure economy of scale in production of both the vehicles themselves and their spares. The Mobile Gun System Project is currently in the definition phase, and work has been focused on obtaining effective project approval from the Treasury Board by December 2005.

Medium Support Vehicle System

A cornerstone of army transformation, the Medium Support Vehicle System (MSVS) Project will replace the Medium Logistics Vehicle Wheeled with a new truck in two variations: a standard military pattern truck for operational units (1,500 to be supplied), and a "militarized" commercial-pattern truck for Reserve training in Canada (800 to be supplied). The project will also acquire 1,000 Special Equipment Vehicle Kits for converting MSVs of either basic type for support functions (e.g., a "containerized" dental clinic), and 300 container trailers. The MSVS Project is about to enter the definition phase.

Multi-Mission Effects Vehicle

A key element of army transformation is the combining of the Mobile Gun System (MGS), the LAV TOW Under Armour and the Multi-Mission Effects Vehicle (MMEV) into a Direct Fire System. As part of this system, the MMEV project will transform the current Air Defence Anti-Tank System (ADATS), significantly enhancing its direct fire capability by providing the ability to engage non line of sight targets. It will provide precision direct fire at ranges up to eight kilometres while continuing to provide ground-based air defence against aircraft and helicopters. During the assessed period, options analysis work was completed and the definition phase of the MMEV project should begin in mid-2005. Fielding of the first of 33 MMEV's should begin in 2009.

HMCS *CHICOUTIMI* Extended Repair Docking Work Period

The objective of docking HMCS *CHICOUTIMI* for extended repair is to rectify deficiencies caused by the submarine's tragic fire of October 2004, and to implement Canadianization modifications and other engineering changes planned for all four boats of the Victoria class to increase their capabilities and availability.

Joint Support Ship

The primary objective of the JSS project is to ensure that the Canadian navy maintains its current naval task group logistics support, while ensuring that the CF have an adequate, assured strategic sealift capability to allow it to deploy and sustain operations in support of government policy and enhancing Canada's capability for joint command and control of forces ashore. The project received Treasury Board approval on 24 November 2004 and entered the Definition phase. A letter of interest was issued in February 2005 asking industry to form teams and to indicate their interest in the project. A Request for Proposal will be issued during the fall of 2005, leading to the awarding of two Definition contracts in mid-2006. It is anticipated that the project will be ready for effective project approval in mid-2008.

Joint Space Support

The Joint Space Support Project (JSSP) objective is to implement capabilities for theatre-level access to space-based information. The JSSP conducted an extensive stakeholder analysis with senior managers to gather information to assist the project in delivering capabilities that will be modern, multi-purpose and cost-effective. The project established Working Groups comprised of Senior Managers to further refine capability requirements. The JSSP capabilities (Surveillance/Reconnaissance support, Space Situational Awareness, and Global Positioning System (GPS) Support) are recognized assets in achieving defence tasks as demonstrated during *Operation ATHENA* and *Operation SAFARI.*

High-Frequency Surface-Wave Radar (HFSWR) Network Project

The aim of the HFSWR Network Project is to establish a network of high-frequency surface-wave radar sites capable of detecting, locating and tracking vessels in near-real time in portions of Canada's Atlantic and Pacific approaches. This capability will significantly increase maritime domain awareness and enhance the ability of the CF to monitor Canada's territorial waters, keep track of offshore fishing, counter a variety of maritime smuggling schemes, and support anti-pollution measures at sea. The project received Effective Project approval (EPA) by PMB in May 2004, and approval by Treasury Board is delayed pending the completion of a frequency licensing study by Industry Canada.

Fixed-Wing Search and Rescue Aircraft Project

The goal of the Fixed-Wing Search and Rescue (FWSAR) Project is to acquire 15 new, commercial-type, multi-engine aircraft to replace the 1960s-vintage CC-115 Buffalo and CC-130 Hercules aircraft currently flown by SAR squadrons. Because the fixed-wing SAR aircraft was identified as one of the CF's top three acquisition needs, it became a priority in Budget 2004. The definition and finalization of a procurement strategy has been a challenge for the project, this issue is currently being worked by DND, PWGSC and Industry Canada.

CF-18 Hornet Modernization Project

The CF-18 Hornet Incremental Modernization Project is progressing and continuing to deliver modernized CF-18 aircraft. Integration and compliance challenges are being carefully managed with the contractor to keep progress on schedule.

CP-140 Aurora Incremental Modernization Project

The CP-140 Aurora Incremental Modernization Project (AIMP) also continues according to plan despite system integration and compliance challenges and risks that are being carefully managed with the contractor to keep progress on schedule. Of note, the last aircraft to receive Block 1 modifications was inducted at IMP in Halifax, NS. Furthermore, a contract was signed in fall 2004 to embody an interim stand-alone Electro-Optic Infrared capability that will provide state-of-the-art imaging well ahead of the originally planned implementation in 2008–2009. A prototype was successfully tested and production commenced.

Joint Information, Intelligence Fusion Centre (JIIFC)

The JIIFC achieved initial operating capability, allowing it to develop processes, procedures and connectivity across the many different information stovepipes.

Navigation Warfare Program

The objectives of the Navigation Warfare (NAVWAR) program are to protect friendly use of the Global Positioning System signal, remain interoperable with allies, and deny the use of the Global Navigation Satellite System to adversaries. The program progressed in close co-operation with Australia, the UK and U.S. under a U.S.-led four-party NAVWAR Memorandum of Understanding.

For additional information on these and other Major Crown Projects visit:
http://www.vcds.forces.gc.ca/dgsp/oonative/rep-pub/ddm/dpr/dpr2005/j-mcp_e.asp.

Other Modernization Initiatives

The Materiel Group continued to develop Optimized Weapon System Management (OWSM) contracts for the CC-130 *Hercules*, CF-18 *Hornet*, CP-140 *Aurora* and CH-146 *Griffon* fleets. An OWSM contract consolidates several in-service support contracts into a major long-term performance-based agreement to reduce administration costs and give the contractor incentives to provide support more effectively.

The Materiel Group also continued to apply the Standing Offer concept successfully to advanced life-cycle management activities. The Long-Term Standing Offer (LTSO) Program for mobile support equipment shortens acquisition times and is cost effective. For example, government departments achieved economies of scale by consolidating Crown vehicle purchases for standard commercial, militarized commercial and custom-built vehicles such as ambulances and the mid-range truck.

A new Mobile Support Equipment Repair and Overhaul (R&O) Re-Life Standing Offer Program was also established, targeting key operational fleets for rejuvenation. The benefits included increased standardization and enhanced reliability. The LTSO for critical runway maintenance equipment is an example of this approach. The combined estimated value for the current LTSO Program including R&O Re-Life activity is approximately $157.1 million.

Defence strengthened and continued to implement key domestic and international public and private sector alliances for the provision of end-to-end materiel acquisition by:

- Enhancing materiel relations between the Department of National Defence (DND) and the U.S. Department of Defence (DOD) through active participation in the conference of

National Armaments Directors, the North American Technology and Industrial Base Organization, the Armaments Co-operation Management Committee and in bilateral discussions with the Undersecretary of Defense (Acquisition, Technology and Logistics);

- Initiating Canada-U.S. Test and Evaluation Program (CANUSTEP). Seven DND CANUSTEP Program Agreements (PA) were initiated in fiscal year 2004–2005, and one PA Amendment signed at an estimated combined value of US$1.97 million. This represents a cost avoidance of approximately US$591,000. In this same timeframe, there have been two Co-operative Test and Evaluation CANUSTEP PA valued at US$1.23 million;
- Initiating three Joint Strike Fighter (JSF) development projects in concert with Industry Canada and identifying 330 opportunities for Canadian Industry. Canadian companies have won 147 contracts with a value during the System Design and Development (SDD) phase of US$131 million; and
- Awarding a total of 760 contractual documents totalling $47.5 million to Aboriginal firms surpassing the $20 million DND/CF target for calendar year 2004 by $27.58 million. Contracts were awarded for hazardous materials removal, diving equipment, polar bear monitoring, air charter services, wilderness training, and informatics professional services, among other things.

Life-cycle Management and Equipment Availability

Disposal of Surplus Vehicles

Defence leads the federal government fleet-management community in disposal of surplus vehicles, playing a key role on the Interdepartmental Disposal Panels and establishing requirement and bid-evaluation criteria. This work led to the acceptance in 2004 of a new National Master Standing Offer (NMSO) from a consortium of independent Canadian service providers called the ICAN Group. Effective communication with clients and service providers has combined with the introduction of industry-leading processes and tools to increase returns from vehicle sales significantly. The reinvestment of these funds in Defence fleets and the consequent reduction in maintenance and life-cycle costs have raised fleet-management standards and benefited the entire federal government.

Conclusion: Generate Forces

The ability to recruit, train and retain personnel, and to ensure that Defence culture reflects Canadian values and expectations, is essential to the achievement of the Defence mission. Of equally vital importance is the ability to identify equipment requirements, and to develop, test and procure equipment. The activities undertaken by the Generate Force capability program reflected the emphasis Defence has placed on developing a professional, effective and sustainable civilian and military Defence Team.

Sustain Forces

The Sustain Forces capability program is essential to our ability to employ military forces in Canada and abroad. In doing so, Defence must be able to support the people, equipment and infrastructure needed to execute operational tasks and missions, and carry out operational requirements over time.

Planned Results

Our priority for sustaining the CF includes personnel, equipment maintenance and repair, logistics support to operations, and infrastructure necessary to conduct military operations. It also includes support to the health and wellness of CF members and the wellbeing of employees.

Resources

Sustain Forces: Resources Consumed Net of Revenues					
	Actual Spending 2003–2004	**Actual Spending Without OCIPEP 2003–2004**	**Planned Spending 2004–2005**	**Authorities 2004–2005**	**Actual Spending 2004–2005**
Departmental Spending ($ thousands)	$4,796,422	$4,796,422	$5,375,654	$5,431,629	$5,274,166
Capital Spending ($ thousands) (included in Departmental Spending)	$494,605	$494,605	$721,539	$531,123	$508,670
Human Resources–Military (FTEs)	22,316	22,316	23,134	n/a	23,184
Human Resources–Civilian (FTEs)	13,790	13,790	13,245	n/a	13,785

Manage Program Resources

People remain the greatest strength of DND and the CF and are its most valuable resource. Defence must ensure that CF members and their families enjoy the quality of life they deserve. It must also ensure the wellbeing of the civilian personnel who provide valuable support to military operations.

Promote Wellness and Health – Military

The CF are committed to provide the capabilities necessary to assess, support and enhance the health of CF personnel and the quality of life of defence personnel and CF members' families.

The CF recognize that the pre-deployment screening processes and post-deployment reintegration measures enable soldiers, sailors, air personnel and their families to meet the personal and professional challenges of international operations. The new Screening and Reintegration policy, CANFORGEN 112/04, published in August 2004 introduced a two-tier screening process and refined the four-phase reintegration process.

In 2001, the CF initiated the Human Dimensions of Deployment Study to understand the effects of personnel tempo (PERSTEMPO)[7] on CF members and their families. In 2004, the preliminary results of that research were analyzed and used as the basis for the development of a new policy.

Health Care

A CF Health and Lifestyle Survey was administered to gather data on current health and lifestyle issues such as workplace satisfaction, rates of smoking, levels of physical activity and substance use. Data analysis is ongoing, with results expected in summer 2005.

For the first time in four years, the percentage of CF members requiring extended (over 90 days) sick leave was reduced and the rate of increase in sick leave used, such as the number of days per CF member and percentage of lost person years, was also reduced. The percentage of sick leave days required for mental health conditions led all other causes at 45 percent — depression being the largest specific diagnosis of CF members needing sick leave for a mental health disorder.

Health Care Initiatives

The CF implemented different initiatives to enhance continuity of care, improve access and ensure standardization by:

- Implementing the Primary Care Renewal Initiative, instituting collaborative practice and care delivery by teams of professionals knowledgeable about individual and unit needs;
- Establishing the Maintenance of Clinical Skills Programme for Medical Technicians, to ensure that skills remain current; and
- Improving mental health services access and ensuring standardization in early assessment, diagnosis and treatment of high-prevalence mental health problems.

Close co-operation with Veterans Affairs Canada (VAC) continued to ensure that CF members' expectation of seamless transition to services upon release is realized. VAC also has provided regional referral services that assist in providing assessment for those suffering severe operational stress injuries.

Canadian Forces Health Information System

The Canadian Forces Health Information System commenced phase two of a three-phase project in December 2004. Phase two will allow authorized CF providers to access CF members' health information over the Defence Wide Area Network (DWAN) regardless of their location. In addition to rolling out centralized electronic patient scheduling and registration capability, new clinical applications to support healthcare delivery will be piloted and implemented, including laboratory, radiology and order results review for use by physicians.

Customer Relationship Management Program

The Canadian Forces Personnel Support Agency (CFPSA) implemented a Customer Relationship Management Program to facilitate the transition of military personnel and their

[7] PERSTEMPO is the sum of demands made by military service upon Canadian Forces members, such as time away from home for training, deployments, and job requirements.

families upon posting, and to streamline the administration and fee payment function for all authorized patrons of Non-Public Fund facilities.

Service Income Security Insurance Plan Financial Services

The Service Income Security Insurance Plan (SISIP) Financial Services (FS) program implemented the provisions of Bill C-44 to compensate military members injured during service.

Rx2000

Rx2000 continued with the implementation of a number of initiatives clustered in four streams of activities: Continuity of Care, Accountability, Force Health Protection and Health Services Human Resources. As part of building a healthcare delivery structure that ensures continuity of care, the *Rx2000* project oversaw the accreditation of the Ottawa and St-Jean/Longue-Pointe Health Care Clinics by the Canadian Council for Health Services Accreditation.

Rx2000 continued implementing an accountability framework with the establishment of a trial performance measurement framework using a tailored balanced scorecard in four of its clinics, substantive work on the governance of the Canadian Forces Health Services, and the validation of the structure of the intermediate level headquarters.

The Project to establish programs for health protection came to fruition in 2004–2005, with all deliverables associated with this initiative completed. This initiative included the establishment of three deployable hazardous health assessment teams capable of deploying anywhere in the world to conduct air, water and soil analyses. Further, the initiative included a comprehensive national health promotion capability and an enhanced occupational and environmental medicine capability.

Finally, *Rx 2000* developed a human resource network to ensure sustainability of CF healthcare services. The Canadian Medical Association (CMA) has now granted a two-year accreditation to the Canadian Forces Medical Services School/Canadian Forces Dental Services School for its Physician Assistant training program.

The project continued to: recruit clinicians as serving members in the Health Services primary reserve; upgrade and converge reserve and regular force personnel training; increase educational requirements for reserve personnel; establish a medical simulation training centre in Valcartier; and focus on the attraction and retention of military and civilian clinicians.

Quality of Life

Defence is committed to provide CF members with excellent quality of life at work, at home and in theatre. A primary concern for Defence is providing cost-effective residential housing for CF members and their families.

Functional Accommodation Standards were promulgated for residential and training accommodations. The army maintained a satisfactory ability to support its personnel in garrison as demonstrated by the corresponding Base Service Index data of approximately 78 percent of the VCDS-desired standards. However, problems continue to exist with regard to building and facility maintenance as the infrastructure ages and maintenance demands increase.

The CF also ensured that the quality of life of defence personnel and their families was maintained through the different initiatives listed below.

- The CF worked closely with Veterans Affairs Canada to harmonize programs that help CF members and their families make a smooth transition to civilian life. The CF also had considerable input into the development of the New Veterans Charter legislation (Bill C–45) recently enacted by the Government of Canada. This new Veterans Charter, which will come into effect April 1st 2006, contains the most significant changes to occur to veterans' benefits and services since the end of the Second World War. The CF continued operating the Mission Information Line (MIL) providing a bilingual, toll-free, 24-hour telephone service for families of Canadian military personnel serving in operations outside Canada. In the 2004–2005 fiscal year, more than 35,000 calls were received and Mission Information Line staffs were involved in more than 1,300 telephone interventions;
- The Military Family Resource Centres (MFRCs) provided bilingual services through more than 11,000 hours of emergency childcare services in response to the requirements of military operations and more than 10,500 "Welcome" packages were distributed by MFRCs to newly arrived military families throughout the 2004 Active Posting Season; and
- The CF implemented a Non-Public Fund Training Module for Base and Wing Commanders and for all new CF recruits, whereby they receive tailored presentations and appropriate information packages on the full range of morale and welfare programs accessible to them throughout their careers.

The following are some examples of initiatives undertaken by the CF to provide a better quality of life through entertainment, rest and recreation and on-line resources for deployed members:

- The CF ensured members get the opportunity to use their leave allocation during the year. The number of days of annual leave not taken in a given year is decreasing. With the exception of 2001–2002, likely attributable to the events of September 11, 2001, operational tempo has not had a significantly detrimental effect on the ability of CF members to take their leave.
- Approximately 40 Canadian Forces Personnel Support Agency (CFPSA) employees were deployed on six-month tours to Afghanistan to deliver a variety of services to CF personnel, including the management of the Home Leave Travel Assistance program, Rest & Recreation services, sports & fitness programs, retail operations, and accounting and retail warehouse services to Task Force Kabul;
- The CF implemented the CANEX "What You Need" program, whereby members on deployment can purchase items on-line for shipment to families or to themselves in theatre;
- Military Family Resource Centres have portals available to support members and their families who are posted in Europe and the UK;
- The CF Radio and Television continued to provide "a bit of home" through regular programming to deployed forces in Afghanistan and on ships in the Persian (Arabian) Gulf; and
- CFPSA's Deployed Operations section delivered other support programs for deployed members, including "*Op SANTA CLAUS*" (responsible for delivering more than 4,000 Christmas gift packages to deployed members in 2004), and a wide range of Rest and Relaxation (R&R) programs including the production of six CF Show Tours that attracted an audience of more than 7,000 deployed members.

Promote Wellbeing – Civilian

Defence employees occasionally find that work-related, family, financial, addiction or legal problems as well as physical or mental illness affect their performance at work. Civilian employees can find help through the Employee Assistance Program (EAP), a confidential and voluntary peer-referral program supported by both unions and management that helps employees deal with problems affecting their personal and/or professional lives. On average, 10% of Defence civilian employees use the EAP annually.

Initiatives to promote civilian wellbeing included:

- The Employee Wellbeing Framework was approved in the 2004–2005 fiscal year. This includes programs and activities such as workplace accommodation, awards and recognition and the EAP; and
- A new Workplace Accommodation Policy was developed and promulgated. Commands/Groups can also access a centralised Workplace Accommodation Fund to cover accommodation-related costs, as applicable. Under the *Canadian Human Rights Act*, Defence has a duty to accommodate the employment-related needs of DND employees and prospective employees that arise from a prohibited ground of discrimination[8] up to the point of undue hardship.

Sustain Equipment

Whole Fleet Management

The navy made significant progress in developing, promulgating and implementing an all-encompassing, affordable and sustainable Readiness and Sustainment (R&S) policy to meet force generation, force employment, international and domestic commitments. As a result there has been progress to key elements of the Strategic Capabilities Investment Plan and Long-term Capital Plan (Construction), addressing the most pressing naval personnel deficiencies and the implementing a sustainable Fleet Support Plan that directly links with the R&S policy.

Land Forces units continued to meet the directed targets for levels of Vehicle Off Road (VOR) but consistent problems with shortages of spare parts remain thus preventing the army from reducing its VOR rate. The introduction of Whole Fleet Management in the 2004–2005 fiscal year has reduced unit holdings and will result in the centralization of stocks at Depots with Equipment Fielding Co-ordination Centres. Domestic and deployed support continued to be provided through a combination of uniformed personnel, contractors and civilian members of the Defence Team.

Equipment Procurement

Defence provided the capability to sustain nationally managed equipment through the effective and efficient execution of the National Procurement Program (including reprovisioning, life

[8] The Canadian Human Rights Acts defines “prohibited grounds of discrimination” to include race, national or ethnic origin, colour, religion, age, sex, sexual orientation, marital status, family status, disability and conviction for which a pardon has been granted.

cycle management, transportation, repair and overhaul, quality assurance and engineering testing). For example:

CH 149 Cormorant: The air force declared the Cormorant fully operational on September 1, 2004. The Weapon System Manager has taken full responsibility for the aircraft and is managing in-service issues through the In-Service Support Contract (ISSC). The Cormorant has already proven its superior SAR capability over the Labrador on numerous critical SAR missions. It has enhanced our SAR capability and coverage throughout our large area of responsibility.

Light Armoured Vehicle (LAV) III: A Wheeled Light Armoured Vehicle (WLAV) Optimized Weapon System Management (OWSM) Contract for three years plus two one-year extensions with General Dynamics Land Systems Canada was signed on April 1, 2004. The first year is complete and General Dynamics has ramped up its staff and infrastructure to meet the WLAV Optimized Weapons System Support (OWSS) requirements. It has established a new WLAV Turret support facility in Woodbridge, VA, and set up three new subcontracts for Repair and Overhaul.

VICTORIA CLASS submarines: The Engineering and Supply Management (ESM) contract signed with BAE Canada was a transitional contract designed to assist in the introduction of the class into the fleet. The ESM contract is currently in its first optional extension year and negotiations are ongoing for a second optional extension year to take the contract out until August 28, 2006.

Support Operations

The CF successfully provided military personnel support to 17 deployed missions during the past year for deployment, rotation and redeployment. In doing so, the CF maintained the Deputy Chief of the Defence Staff (DCDS) manning ceilings and maintained the Operational Personnel Management System (OPMS). There remains a requirement to advance the integration of OPMS and Canadian Forces Taskings, Plan and Operations System to allow for more consistent transfer of data between the systems.

Logistic Support

The Materiel Group effectively co-ordinated logistics support arrangements for six new operations: *STRUCTURE, AUGURAL, IOLAUS, SIRIUS, BRONZE* and *BOREAS*. DND also supported up to 17 continuing missions and closed down two others and downsized one. For example, Defence:

- Supported redeployment of the Maritime Forces from *Operation ALTAIR*;
- Supported elements of Joint Task Force 2 (JTF2) in-theatre and their redeployment back to Canada;
- Supported large scale rotation changes for *Ops DANACA, ATHENA* and the closure of *Op PALLADIUM*; and
- Contracted airlift to deploy the Disaster Assistance Response Team (DART) to Sri Lanka and then contracted sealift for redeployment to Canada.

The Infrastructure and Environment Group provided military engineering preparation, planning and support co-ordination for CF contingency operations by:

- Providing strategic level engineer advice, support and co-ordination to the following operations: *ARCHER, ATHENA, AUGURAL, BOREAS, BRONZE, DANACA, SAFARI* and *STRUCTURE*;
- Drafting and staffing an improved chapter of the DCDS Directives on Deployed Operations on Military Engineer Support;
- Coordinating and providing timely and effective mine and countermine information to the CF and DND; and
- Staffing infrastructure projects for Camp Mirage and Camp Julien.

The Air Force Support Capability developed a proposal to improve the managed readiness of air force support personnel and to address support equipment shortfalls. During fiscal year 2004–2005, $2.5 million was invested in deployable equipment at air force Wings across the country to improve the deployable posture of air force support teams.

Infrastructure

The DND/CF Realty Asset portfolio is large, extremely varied, functionally and geographically diverse, and essential for DND/CF to fulfil the Defence mission.

The DND/CF realty assets portfolio includes national (mainly) owned and international leased assets, making DND one of the largest custodians of Canadian government realty assets. By area, National Defence has approximately 33 percent of the buildings inventory of the federal government and seven percent of the federal land inventory. National Defence is the largest building owner by quantity (i.e. number of buildings) in the federal government, holding almost 44 percent of the federal inventory[9]. DND/CF have 20 bases/wings (two naval, eight army, nine air force and one training) and have military installations in every province and territory located in 290 cities/municipalities across Canada. The total realty replacement costs for DND land, buildings and works, including housing, was estimated at $19.5 billion. The responsibility associated with managing such vast amounts of realty assets placed a significant demand on our sustainment capability this past year.

Significant progress has been made in developing, promulgating and implementing an all-encompassing, affordable and sustainable Readiness and Sustainment (R&S) policy to meet force generation, force employment, and international as well as domestic commitments. Key elements of the Strategic Capabilities Investment Plan and Long-term Capital Plan (Construction), which address the most pressing naval personnel deficiencies and the implementation of a sustainable Fleet Support Plan, are directly linked with the R&S policy.

In fiscal year 2004–2005, the army's efforts towards recapitalization saw an investment of approximately 1.4 percent of its realty replacement cost (RRC) or $96.6 million, whereas maintenance and repairs (M&R) received an investment of nearly 1.5 percent of the army's RRC or $102.1 million. The actual M&R investment surpassed the planned allocation of 1.1 percent at the beginning of the fiscal year due to the ability of the army's leadership to find in-year funding relief for infrastructure pressures. Nonetheless, these sums remain well below the recommended industry standards of 2 percent.

[9] Based on Directory of Federal Real Property Dec 2004 data.

The ongoing result of such investment shortfalls is that the army's management of its infrastructure funding is executed by crisis management. This situation is exacerbated when new or additional pressures get better definition and become a part of the army's programs. For fiscal year 2004–2005, the 4 percent (2 percent + 2 percent) RRC investment target meant that $81.4 million of essential maintenance and recapitalization remained unfunded. This increases the accumulated backlog of army infrastructure projects.

The army also holds a substantial number of realty assets carrying heritage designation (la Citadelle de Québec, Fort Frontenac, various armouries, etc). The special nature of these assets entail that a larger proportion of available recapitalization and M&R resources be allocated to them compared to their more modern counterparts. This reality only compounds the financial pressures placed upon the army's programs.

In fiscal year 2004–2005, the air force invested approximately $32 million in recapitalization, or 0.6 percent of RRC. Highlights included commissioning of the Central Heating Plant at Greenwood and construction of Wing Logistics and Headquarters facilities at Winnipeg that essentially allows the removal of the Winnipeg South side from the air force inventory. For maintenance and repair, the air force invested approximately $50 million or 0.9 percent of RRC. The total investment is therefore 1.5 percent of RRC, which is well below the recommended industry standard of 4 percent. This means that a number of projects remain unfunded and the backlog continues to grow. The air force also expended approximately $2.0 million in demolitions and remediation for both local projects and projects associated with the LTCP(C).

The air force also progressed with its Barrier Free Access program in fiscal year 2004–2005. $2.0 million was expended thus completing 168 projects out of the original 220 (an additional 16 projects were cancelled as buildings were demolished or had a change in use) and is on schedule to complete the remainder.

The Realty Asset Management Framework

The Realty Asset Management Framework (RAMF), developed in 2004, is a comprehensive and coherent approach to the effective stewardship of realty assets (RA). It is designed to provide RA strategic leadership, vision, objectives and focus; align RA with DND/CF capabilities; improve management efficiency and effectiveness; optimize and focus resource allocations; and clarify RA process, roles, responsibilities and accountabilities. The RAMF consist of Policy, Governance, Realty Asset Strategy (RAS), Planning and Management tools, Stewardship report and a Performance Measurement Framework. Work has started on most elements, with the RAS being the most advanced.

The Realty Asset Strategy

The Realty Asset Strategy (RAS) is the main component of the Realty Asset Management Framework (RAMF). The RAS provides the strategic direction and objectives to proactively shape how DND/CF will manage its realty assets. It was developed to ensure DND/CF strategy and policies are translated into concrete measurable actions by providing departmental strategic objectives on how to achieve the DND/CF realty asset (RA) vision of safe, secure, suitable and sustainable RA in support of the DND/CF mission, today and tomorrow. In other words, the RAS is the roadmap to ensure a safe, secure, suitable and sustainable portfolio.

A component of the RAS is the long-term sustainment of the department's realty assets. One measure of this sustainment is the amount of funding allocated to infrastructure. The long-term departmental target is to allocate 2 percent of the replacement cost of its infrastructure annually to each of maintenance and repair and to recapitalization. In the case of recapitalization, the department is approaching its target, but it will take several more years to achieve the maintenance and repair target stated within the 2005-2006 RPP. An interim target of 1 percent has been set for 2005–2006.

The Infrastructure Reduction Plan

Defence continued to pursue its objective of reducing realty assets by 10 percent by 2005 in the overall context of CF transformation. Since the 10 percent reduction requirement was introduced, DND reduced its inventory of non-residential buildings by approximately 12 percent, works by 15 percent, and residential buildings by 18 percent.

In 2004, the Assistant Deputy Minister (Infrastructure and Environment) managed 10 sites awaiting disposal. The total amount spent on these sites was $25.5 million. Activities included historical assessment, facility management, as well as Unexploded Ordnance (UXO) and environmental clean up.

For additional information on the Infrastructure Reduction Plan visit: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2004/InfrRed_e.asp.

Canadian Forces Housing Agency (CFHA)

The Canadian Forces Housing Agency (CFHA) continued to optimize its housing portfolio and disposed of 131 units. As of March 31, 2005, the CFHA portfolio consisted of 14,671 units. Approximately $41 million was spent on Lifecycle and Regular Maintenance Programs, which included $15.1 million in Programmed Maintenance, $23.2 million in Routine Maintenance, and $2.7 million on Non-discretionary Maintenance.

In fiscal year 2004–2005, CFHA continued with the development of Strategic Site Plans for each of its 26 residential sites to provide a global assessment of the land use planning and portfolio management issues specific to each location. It completed Strategic Site Plans for seven sites: Esquimalt, Trenton, Halifax, Winnipeg, Valcartier, Moose Jaw and Dundurn.

By the end of the 2004–2005 fiscal year, CFHA had provided input to the Master Realty Asset Development Plan program (managed by ADM (IE)), for each of the 17 sites that had been reviewed and assessed.

Specifically, the following was accomplished in fiscal year 2004–2005:

- CFHA was successful in achieving approval for recapitalization projects at the following 10 sites: Borden, Cold Lake, Comox, Gagetown, Halifax, North Bay, Ottawa, Petawawa, Shilo and Wainwright. As of March 31, 2005, construction contracts had been awarded at six of these sites with three other sites on the verge of being awarded contracts; and
- In addition to the Recapitalization Program (Phase I), CFHA proceeded with the development of a major new housing construction project at Wainwright that will result in the construction of 60 new housing units.

Contribute to Canadian Government, Society and the International Community

Defence strengthened materiel acquisition and supported alliances with the private sector by developing and undertaking a series of policy analyses of assessments on key questions relating to the strengths and vulnerabilities of Canadian defence industries. For example, the Department:

- Initiated multilateral negotiations with Norway, Denmark, Italy, the UK, Turkey, the Netherlands, Australia, and the U.S. on potential Canadian participation in the Production, Sustainment, and Follow-on Development phase of the Joint Strike Fighter Program;
- Initiated negotiations with the US Navy on potential Canadian involvement in the US Navy's Multi-Mission Maritime Aircraft; and
- Co-operated with other government departments to minimize the negative impact of U.S. legislation and export control policy on Canadian industry and the Canadian Government.

As part of the Department's strategy for ongoing key industrial visits across Canada, Defence held meetings with Canadian and U.S. industry to maximize Canadian industrial involvement in such co-operative activities as the Joint Strike Force and U.S. Foreign Comparative Testing (FCT) Programs.

The Department held a series of on-site visits/meetings with select Munitions Supply Program (MSP) companies to solicit private section input, as part of the TBS-mandated MSP review process, and to determine the adequacy of Canada's existing policy direction in this area.

Conclusion: Sustain Forces

Defence continued to support CF members by implementing initiatives such as the Military Health Care Reform and provided its civilian workforce with the Wellbeing Framework. The ability to maintain equipment and infrastructure continued through the National Procurement Plan, Capital Construction Program and the Infrastructure Reduction Plan.

Command and Control

The aim of the Command and Control capability program is to ensure that the CF maintain the abilities required for: collection, analysis and communication of information; planning and co-ordination of operations; and direction of forces to achieve assigned missions.

Planned Results

The task of providing the government with timely, accurate information is critical to the safety of the CF and the Canadian public. Defence responded to this challenge by meeting readiness levels and capability requirements for command, control, communications and intelligence.

Resources

Command and Control: Resources Consumed Net of Revenues					
	Actual Spending 2003–2004	**Actual Spending Without OCIPEP 2003–2004**	**Planned Spending 2004–2005**	**Authorities 2004–2005**	**Actual Spending 2004–2005**
Departmental Spending ($ thousands)	$1,441,067	$1,441,067	$1,531,649	$1,627,814	$1,629,519
Capital Spending ($ thousands) (included in Departmental Spending)	$318,655	$318,655	$500,550	$430,565	$426,248
Human Resources–Military (FTEs)	5,616	5,616	6,072	n/a	5,763
Human Resources–Civilian (FTEs)	2,583	2,583	2,530	n/a	2,889

Command Forces

The new Defence Policy Statement marks the beginning of a long-term plan to renew and transform Canadian defence to meet the new security challenges as a fully integrated force that is relevant, responsive and effective. Moving transformation from concept to reality will not happen overnight, but the process has already begun. Four teams have been established to move the agenda forward in fiscal year 2005–2006. For additional information on the CF transformation and the CDS vision visit: http://www.cds.forces.gc.ca/.

In fiscal year 2004–2005, the CF directed and controlled a wide variety of operations ranging from providing assistance at home for hurricane relief to military operations around the world, including disaster relief in Southeast Asia. The rapid retrieval and sharing of information is critical to ensure the safety of CF members and the success of military operations. During this reporting period, Defence enhanced the way it gathers, analyzes, integrates, and uses information transmitted from surveillance and reconnaissance systems, including satellites, unmanned aerial vehicles and C4ISR capabilities.

C4ISR

The CF maintained and continued to develop the ability to command forces on operations in conjunction with other national and international organizations to promote mission success. This included the development of an enhanced command and control ability, as well as continuous development of Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) capabilities.

The Canadian Forces Joint Signals Regiment (JSR) provided a reliable and globally deployable communications capability required for all DCDS-generated international operations. The personnel of the JSR also provided the necessary detachments for each rotation overseas to maintain the vital national rear link communications and, as such, the unit had the highest operational tempo in the CF in terms of maintaining the necessary communications presence.

Canadian Forces Information Operations Group provided Signals Intelligence/Electronic Warfare (SIGINT/EW) integrated support with the army and navy, also acting as a bridge to Other Government Departments and International SIGINT forums. Formal relationships exist between the army and the navy to co-generate SIGINT/EW forces to provide sensor and split based analytical support.

The Air Force Command and Control Information System (AFCCIS) project implementation continued on schedule with workstation expansion at the Wings and Squadrons, which permitted the start of air force operations automation via the Theatre Battle Management Core System. As well, the initial design for interconnecting AFCCIS to NORAD networks was approved and this will significantly contribute to improved interoperability between the related military organizations in Canada and the United States.

Information Management and Information Technology (IM/IT)

The IM Group has overall responsibility for IM/IT sustainment activities. Defence approved IM Strategy 2020 in January 2005 to complement Defence Strategy 2020 and completed the IM/IT Strategic Capability Investment Plan annex for the Long Term Capital Plan.

The following are support activities provided by the IM/IT Group during fiscal year 2004–2005:

- Defence Software Baseline (DSB) Life Cycle Support Facility provided support for deployed operations allowing for fast and efficient delivery of software, including updates and timely anti-virus protection;
- The IM/IT Group maintained Search and Rescue Satellite (SARSAT) communications equipment and provided information operations and signals intelligence for deployed and domestic operations. It provided support and engineering services for operational strategic communication systems such as:
    - Military Systems – Military Transportable (MT), X-Band Rear Link Interconnectivity, Satcom portion of the HADCS II system, UHF Satcom Node, VSAT, future support to operations; and
    - Commercial Systems – Inmarsat and Iridium.

In support of field commanders in the conduct of assigned missions, Canadian Forces Information Operation Groups provided backplane voice, data and incident handling support for deployed personnel through the 24/7 communication operations center at the Canadian Forces Network Operation Centre. During domestic operations for example, the army maintained the ability to command and control designated troops through its Land Force Areas Headquarters for regional co-ordination during *Operation TWILIGHT* and *Operation SPIRE*.

The Director General Information Management Operations (DGIMO) provided timely, effective communication and information systems (CIS) support to all CF deployed operations, including

the tsunami relief effort in Sri Lanka. DGIMO is actively engaged in the modernization of critical CIS infrastructure to better support commanders and deployed operations in the future.

Communications Security Establishment

The Communications Security Establishment's (CSE) first operational priority is security, consistent with the *National Security Policy*. In fiscal year 2004–2005, CSE supplied intelligence to senior Government officials in support of other Canadian priorities, including international affairs and defence. Consistent with its legislated authority under the *National Defence Act*, CSE provided technical and operational support to federal security and law enforcement agencies, working with them under the terms of their respective mandates. For example, CSE has developed technical solutions to assist the RCMP and CSIS in their efforts to lawfully access information.

In fiscal year 2004–2005, CSE provided both headquarters personnel and deployed forces with intelligence, technical threat information, training and equipment, and access to collection and analytical databases. CSE also continued to work closely with the Canadian Forces Information Operations Group to deliver IT security services to CSE clients. Lastly, CSE and the CF made significant progress last year in implementing a new Signals Intelligence (SIGINT) operational model, which seeks to integrate planning and decision-making, better manage Canada's international SIGINT partnerships, and improve CSE's support to deployed CF operations.

Defence Intelligence

The Defence Intelligence Review (DIR), a comprehensive long-term study of intelligence capabilities and capacities, was approved by the Chief of the Defence Staff (CDS) and Deputy Minister in November 2004, and is serving as the foundation for transformation of the Defence Intelligence function. The Chief of Defence Intelligence was created as the CF/DND central authority for Defence Intelligence with extensive responsibilities and accountabilities. Progress has been made in creating a governance framework for the function, in enhancing the management and analytical capabilities of the function, in harmonising DIR and intelligence fusion related activities, in improving the management of the intelligence process and moving to a new Chief of Defence Intelligence organizational structure.

In fiscal year 2004–2005, Defence intelligence made substantial progress towards organizational and capability transformation and enhancement while maintaining a high level of support to deployed operations. This included deploying intelligence personnel to Bosnia, Afghanistan, Haiti, Sudan and US Central Command. In particular, the multifaceted all source intelligence centre in Afghanistan continued to evolve as a unique CF capability.

Defence participated actively with the U.S. and traditional partners such as the UK and Australia, on a range of intelligence matters during the year. A range of functional intelligence programs have been renewed and strengthened through high level visits, analyst discussions, and an increase in the quantity and quality of defence intelligence activity. Potential new partnerships with other NATO countries and non-NATO nations were also explored.

Command Forces Initiatives

The Canadian Forces Command System (CFCS) One project largely completed its fourth cycle delivering a large number of systems to connect the diverse staffs at the Secret and Top Secret level as well as an updated Collaborative Planning Tool. E-mail with basic attachments has been arranged with our 5 Nation allies at the secret level while further work to develop Web services with NATO and our 5 Nation allies is ongoing. The CFCS II project has commenced early definition with the mandate to integrate the Command, Control, Intelligence and Surveillance (C2IS) into one network.

The Enhance SIGINT and Computer Network Defence activity has almost completed its capability enhancement phases and is now being locked down into its sustainment phases. Eighty-six new personnel were added to deal with deployable SIGINT, enhanced EW platform protection and Computer Network defence. Equipment for this enhancement has been purchased with the final Computer Network Defensive tools and facilities being completed in the 2005–2006 fiscal year. Additional information on the SIGINT is available in Section 5 under the Communications Security Establishment.

Conclusion: Command and Control

The Command and Control capability program provided the leadership and clear direction to activities carried out under the Conduct Operations, Generate Forces and Sustain Forces capability programs. It also presented options for military action to accomplish Government of Canada objectives as situations arose, and for liaison with other government departments as well as allied nations and coalition formations. This capability program delivered the Defence assessment of developments around the world and advised government (based on timely access to information and independent appraisals) as a prelude to any CF commitment.

Corporate Policy and Strategy

This capability program ensures that Defence complies with national legislation as well as managerial and administrative requirements. It comprises the provision of policy advice to government, security arrangements, governance and management, and support to government objectives.

Planned Results

The Corporate Policy and Strategy capability program allowed Defence to meet its domestic and international obligations by providing advice to the Minister, establishing appropriate governance and management mechanisms, achieving budget and resource allocation goals, and meeting mandated program and environmental stewardship requirements.

Resources

Corporate Policy and Strategy: Resources Consumed Net of revenues					
	Actual Spending 2003–2004	**Actual Spending Without OCIPEP 2003–2004**	**Planned Spending 2004–2005**	**Authorities 2004–2005**	**Actual Spending 2004–2005**
Departmental Spending ($ thousands)	$484,420	$437,433	$469,503	$498,953	$516,505
Capital Spending ($ thousands) (included in Departmental Spending)	$40,051	$39,876	$45,495	$32,462	$32,186
Human Resources–Military (FTEs)	959	959	948	n/a	953
Human Resources–Civilian (FTEs)	1,693	1,474	1,416	n/a	1,303

Extensive work was accomplished this past fiscal year to align policies, governance, doctrine and programs with a goal to develop a new Defence Policy and vision for the CF.

The approval of the *Public Service Modernization Act*, the revised *Financial Administration Act* (FAA), the new *Public Service Labour Relations Act* (PSLRA) and the impending implementation of the new *Public Service Employment Act* (PSEA) will also require an alignment of policies, governance, doctrine and programs to support the civilian employees.

Policy Advice to Government

Defence Policy

The Policy Group provided timely, in-depth and sound advice to the Minister, DM, CDS and other senior officials with regard to Cabinet and Parliament, co-ordination with other government departments, the academic community, bilateral and multilateral defence relations, international arms control and non-proliferation efforts, analysis of the evolving international security environment and policy development. Key issues included the International Policy Review, the Defence Policy Review and Ballistic Missile Defence.

OAG Liaison Advice

The Chief Review Services serves as the Departmental liaison with the Office of the Auditor General (OAG) and the Commissioner of the Environment and Sustainable Development

(CESD). Of the OAG/CESD audits reported during the 2004–2005 fiscal year, the following involved the DND/CF:

April 2004 Tabling:	Chapter 3 National Security: The 2001 Budget Enhancements
	Chapter 6 Managing Government – Using Financial Information
September 2004 Tabling:	Chapter 6 Environmental Petitions
November 2004 Tabling:	Chapter 3 Upgrading the CF-18 Fighter Aircraft
	Chapter 4 Management of Federal Drug Benefit Programs
	Chapter 7 Process for Responding to Parliamentary Order Paper Questions
	Chapter 8 Other Audit Observations – Downsview Park
February 2005 Tabling:	Chapter 1 IT Security Follow-Up
	Chapter 8 Managing Government: Progress Report on Improving Financial Information.

Public Affairs Advice

Public Affairs supported National Defence and Government of Canada defence and security priorities by providing timely, in-depth and sound public affairs advice on defence and security issues such as:

- Advising senior leadership on communicating with regional and U.S. audiences and key stakeholder groups such as parliamentarians, academics, and ethno-cultural groups;
- Conducting research on, and analysis of, regional and stakeholder audiences' positions on defence issues and initiatives such as the Defence Policy Review; and
- Providing public affairs expertise and services to support CF operations in all theatres of operations. This same expertise was extended to National Defence senior executives.

Governance

Responsibilities and Resources Governance

The Deputy Chief of the Defence Staff (DCDS) continued to work within DND to contribute to governance of responsibilities and resources including the development of the Expenditure Reduction Targets for future years, the development of enhanced comptrollership, compliance with HR, contracting and legislative and policy guidance.

Expenditure Review Committee

An implementation plan was issued in March 2005 to put into effect the proposed initiatives for which funding could be eliminated to meet the funding level reduction expected by Government as part of the Government-wide reallocation effort. The multi-year plan emphasizes the need to optimize real reductions in program cost, while avoiding negative effects to the sustainability gap. The implementation plan will be responsive to the challenges associated with realigning the

CF for growth and meeting the requirements of the Defence portion of Canada's International Policy Statement.

Financial Governance

With the approval of the Comptrollership Action Plan, special attention was given in fiscal year 2004–2005 to administrative, financial, and resource management support (RMS) services across Defence. Strategic guidance was provided to RMS clerk/Finance Officer employment, organizational structure and client support services. Also addressed within the context of the Comptrollership Action Plan were such issues as:

- Strengthening the process for issuing attestation letters;
- Reminding managers of their responsibilities under sections 32 (Expenditure Planning and Initiation), 33 (Payment) and 34 (Account Verification) of the *Financial Administration Act*, and ensuring that they complete the Section 34 recertification every three years; and
- Improving the monitoring processes under the Financial and Managerial Accounting System (FMAS).

For example, a key component of strengthening financial accountability and control is ensuring compliance to Section 32 and Section 34 of the *Financial Administration Act*. Defence ensured Resource Managers with Section 32 and 34 Delegated Financial Signing Authority were certified by June 30, 2004, which encompassed passing the Expenditure Management Course. The Materiel Group assisted in the design of the course and provided oversight and support to divisions undergoing the certification. Also, acting on a recommendation made by the Chief Review Services Staff, the Materiel Group developed and is implementing a high-risk contract framework where high-risk contracts will be identified and monitored, and their status reported to the DM on an annual basis.

HR Governance

Public Service Modernization Act

The approval of the *Public Service Modernization Act* (PSMA) required the department to align its policies and practices on civilian human resources, while improving service delivery, measuring results, and increasing the emphasis placed on our collective ability to carryout human resources planning.

DND already complies with many of the legislative changes resulting from the implementation of the PSMA, such as having in place a well established Union-Management Consultation Committee (UMCC); an approved Co-development Framework created in May 2004; a new process for the establishment of Essential Services Agreements for the next round of collective bargaining that was co-developed with the Union of National Defence Employees (UNDE); a training program for managers and employees across the department and an Alternative Dispute Resolution program that features 16 Dispute Resolution Centres across the country. Furthermore, through the development of a comprehensive labour relations policy suite and related guidelines directed at meeting the needs of these changes, the Department is also well positioned to satisfy the remaining legislative obligations.

Public Service Employment Act

In light of the new *Public Service Employment Act* (PSEA) coming into force in December 2005, a revised departmental Staffing Framework is required to reflect the new legislative requirements and resultant changes to the staffing process. The main objectives of this legislation will be to modernize hiring and promotion practices, establish a new definition of merit and put in place new recourse mechanisms. At the end of fiscal year 2004/05, DND was consulting with managers and unions on a new staffing framework for the department, developing new policies, guidelines, tools, strengthening the role of human resources planning in the staffing process, ensuring that human resources management systems reflect the requirements of the new Act, developing communication and learning strategies for managers and employees, working on a departmental Staffing Management Accountability Framework and reviewing the current approach to the delegation of staffing authority and accountability within the department.

Presently, the Departmental Staffing Accountability Report (DSAR) is required in accordance with the Staffing Delegation and Accountability Agreements (SDAA) between departments and agencies and the Public Service Commission (PSC). National Defence was rated as "Fully Satisfactory" by the PSC based on the 2003–2004 DSAR.

Contracting Governance

Procurement and contracting activities played a key role in the program delivery of the department. Procurement, particularly, allows the department to obtain highly specialized research and analytical advice in support of its policy and program delivery. Contracting allows the department to not only achieve operational requirements, but also to spur economic growth within the Canadian economy.

Information on compliance with and oversight of contracting policy can be found at: http://www.vcds.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/proc_e.asp.

Legislative and Policy Governance

The Office of the Judge Advocate General (JAG) ensured DND/CF complied with legislation and policy. For example, working in consultation with DCDS and the Assistant Deputy Minister (Policy), JAG lawyers created a legal and policy framework to ensure that CF weapons are compliant with national Article 36, Additional Protocol 1; Military Police Credentials Review Board (MPCRB) procedures were reviewed and updated to reflect changes in procedure consistent with natural justice, and CF regulations and policy.

Management

Human Resources Management – Military

Advancing Corporate Policy and Strategy

The Human Resources System Transformation (HRST) Steering Committee successfully oversaw the revision and subsequent Armed Forces Council endorsement of the Human Resources – Military Authority, Accountabilities and Responsibilities. Substantial progress was made in redefining Personnel Production, Career Management and Military Occupation

Structure Change Management processes, with the latter providing a framework to guide some of the developmental work in the Military Occupational Structure Analysis, Redesign and Tailoring (MOSART) Project.

Rights and Freedoms

The CF continued to implement its Human Rights Plan. In the 2004–2005 fiscal year, several human rights and social policies were promulgated. In January 2005, the CF and the Canadian Human Rights Commission signed a Memorandum of Understanding in order to reinforce a spirit of co-operation and to demonstrate the CF's willingness to work with the Commission to prevent discrimination and resolve complaints effectively and quickly. Twenty-six human rights complaints were resolved and 23 new complaints were received.

Canadian Forces Pension Administration System Upgrade

In response to Royal Assent of Bill C-37, *An Act to amend the CF Superannuation Act*, in Parliament on November 7, 2003, instructions were drafted to develop the regulations that will entrench the Modernization of the Canadian Forces Pension Plan and the implementation of the new Part-Time Pension Plan. Both are planned for implementation in fiscal year 2005–2006. Both initiatives will improve the attraction and retention of CF members and provide more flexible terms of service.

Canadian Forces Pay System Project – Environmental Allowances Review

A new policy framework was developed that proposes a standardized framework based on an evaluation of hardship and risk.

Canadian Forces Integrated Relocation Policy

Amendments to this policy, including the definition of a dependent, inclusion of childcare, and recovery of loss on exchange, were approved by Treasury Board to improve the services provided to CF members.

Employment Equity

The CF Employment Systems Review (ESR) was completed and reported in December 2004. The aim of this review was to identify employment barriers that affect members of the four groups designated by the *Employment Equity Act*: women, Aboriginal people, members of visible minorities, and persons with disabilities.

A revised CF Employment Equity Plan is being developed to consider the ESR recommendations.

Other Military Human Resources management initiatives included:

- Development of appropriate policies and systems to facilitate the implementation of the Deployed Operations Tax Benefit; and
- Given the successful conclusion of the Public Service collective bargaining process during the fall of 2004, all members of the CF in comparable occupations were provided pay increases effective April 1, 2004. It was also possible to determine the value of the pay

improvements for General Service Officers, Non-Commissioned Members and Legal Officers for the 2005–2006 fiscal year.

Human Resources Management – Civilian

Employment Equity

The Canadian Human Rights Commission declared that the Department was fully compliant with the 12 statutory requirements of the *Employment Equity Act*. The three-year Corporate Civilian Employment Equity Action Plan was approved and post-compliance implementation has begun.

The following table provides an overview of the civilian representation rates. The figures show movement in our representation over the past two years. They also show an increase in availability for most designated groups, with the exception of persons with disabilities.

This spring, the Public Service Human Resources Agency of Canada provided the department with its representation figures and data on Labour Market Availability (LMA) based on the 2001 Census. For comparison purposes, the 1996 Census LMA has been left on this table.

DEPARTMENTAL EE REPRESENTATION				
Designated Group	**DND Workforce (May 02)**	**Labour Market Availability (1996 Census)**	**DND Workforce (June 05)**	**Labour Market Availability (2001 Census)**
Persons with Disabilities	5.2%	5.9%	5.9%	4.0%
Visible Minorities	3.5%	5.3%	5.2%	5.9%
Aboriginal Peoples	2.1%	1.7%	2.4%	2.3%
Women	36.9%	38%	39.5%	40.4%

Source: Assistant Deputy Minister (Human Resources – Civilian) Employment Equity Database

It should be noted that even where overall representation rates are positive, under-representations exist within various occupational categories and groups. Correcting some of these will present a significant challenge over the next few years, although planned staffing levels will provide opportunities to address these gaps. These under-representations tend to be particularly pronounced in the scientific and professional, technical and operational categories.

Detailed performance information was reported in the DND Employment Equity Progress Report for the 2004–2005 fiscal year, which was submitted to the Public Service Human Resources Management Agency of Canada in June 2005. This report is available on-line at:
http://www.vcds.forces.gc.ca/dgsp/00native/rep-pub/ddm/dpr/dpr2005/ee_e.pdf

Joint Human Resources Management

Harassment Prevention and Resolution

Minor amendments were made to the Harassment Prevention Resolution Policy as a result of an internal DND/CF review. Subsequently, in the fall of 2004, the Chief of Review Services initiated an independent evaluation. Results are expected in the fall of 2005.

Defence Ethics Program

The Defence Ethics Program (DEP) provides all DND employees and military members with a framework that supports ethical decision-making and behaviour. The program's ultimate objective is to maintain an ethical Defence culture and to promote an ethical work environment where people choose to do the right thing. The website provides information, tools, dialogue opportunities, a knowledge exchange network, products and best practices to help CF members and DND civilians make the right ethical decisions.

DND remained involved in activities to support the government commitment to ethical conduct. Activities included updating the Department's Conflict of Interest guidelines to incorporate the *Values and Ethics Code for the Public Service,* and integrating the information connected with the Focus on Ethics 03 — a DND-wide event to identify and mitigate ethical risks and promote dialogue in the workplace. The findings of the 2003 departmental ethics survey were integrated into a number of Senior Management Ethics Implementation Plans.

The Canadian Defence Academy is entrenching the ethical principles identified by the Defence Ethics Program in all keystone manuals and research outputs.

Official Languages Program

The Official Languages performance for DND/CF for fiscal year 2004–2005 was detailed in the Annual Review on Official Languages for that period.

The following statistics pertain to the CF:

- Of all the bilingual positions, 49 percent were filled by individuals who met or exceeded the language requirement of their position, an increase of 2 percent over the preceding year;
- Of all the officers promoted to the rank of Colonel and Captain (Navy), during the reporting period, almost 60 percent have achieved the CBC level or better;
- Performance Management Agreements (PMAs) continue to be employed as an additional means of ensuring that bilingualism becomes well-established as a corporate priority among senior officers; and
- Of all the cadets that graduated from the Royal Military College of Canada in the 2004–2005 fiscal year, 94 percent achieved a minimum linguistic profile of BBB before graduation, an improvement of 2 percent over the previous year.

For DND civilians, 98% of the 94 EXs required to meet the CBC level or better (in bilingual regions) successfully met the standard.

For more information on the Official Language Program within National Defence, visit: http://www.forces.gc.ca/hr/engraph/home_e.asp.

National Procurement

On May 27, 2004, the Program Management Board (PMB) approved an increase to the National Procurement (NP) account of $120 million at the start of the 2004–2005 fiscal year to address the NP funding pressures. This brought the initial allocation up to $1,726.4 million (this does not include a $179.4 million transfer to ADM (IM)'s C160 account). In addition, throughout the

year, the NP Program received an injection of an additional $145.8 million from the DCDS Support to Deployed Operations Account.

The following table provides the in-year funding adjustments to the NP Program since April 2004:

NATIONAL PROCUREMENT PROGRAM	($ MILLIONS)
Initial Allocation	$1,905.8
Transfer to ADM(IM)	(179.4)
Funded NP Pressures	38.8
MASOP Payback of Loan	15.2
Miscellaneous transfers in and out of NP	(16.4)
Support to Deployed Ops Funding	145.8
Year End Allocation	**$1,909.8**

Despite this year's funding challenges and the high Ops Tempo requirements, the Materiel Group exercised effective control and prudent management of the NP Program. As a result, the year-end expenditures of $1,909.9 million reflected a variance of 0.4 percent under the approved NP budget of $1,917.8 million.

During the past three years, it has become apparent that the NP program has had constant funding pressures. In close collaboration with the Director Force Planning and Program Co-ordination, the Assistant Deputy Minister (Materiel) co-ordinated two National Procurement Oversight Committee meetings in the past year and presented to the PMB a comprehensive NP program future financial status report and recommendations in early February 2005. As a result, the NP program was assigned top priority for funding pressure relief or re-allocation. Even after the increase to the allocation beginning in the 2005–2006 fiscal year, NP demands for future years are still higher than allocated budgets.

Reform Procurement Process

The Materiel Group developed and documented the procurement process in the Procurement Administrative Manual describing in detail the roles and responsibilities of the procurement officers and the step-by-step activities to be completed in the procurement process including tools, guidance, policy and templates.

In order to standardize the procurement process, the DND has mandated the use of the Materiel Acquisition and Support Information Management System (MASIS) application and Canadian Forces Supply System (CFSS) as the official corporate procurement tools. This will allow DND to enforce the consistent application of procurement business processes and provide for greater visibility and audit ability of procurement transactions. Further, it will provide consistent, accurate and complete capture of procurement data, such as that required for TBS reporting.

Security Arrangements

Defence participated in numerous bilateral and multilateral defence and security arrangements, treaties, and programs with the U.S. and other countries, including through NORAD, NATO and the UN.

The Department also participated in bilateral and multilateral activities to ensure coherent national participation in the development and application of international IM and Information Operations standards, policy and interoperability agreements in support of Canadian security and defence commitments.

The Canadian and U.S. governments signed the *Agreement for Co-operation in Science and Technology for Critical Infrastructure Protection and Border Security*. The agreement will allow Canada and the U.S. to leverage the scientific and technological expertise of the two countries to develop and adopt security measures ensuring cross-border security and the protection of critical infrastructure. The Public Security Technical Program (PSTP), established jointly by both countries, will bring together Canadian government departments and agencies with their U.S. counterparts to ensure efficient use of resources.

Work also continued on IM/IT interoperability with the U.S. and other Allies. As a result, the military command and control networks of Australia, Canada, New Zealand, the UK, and the U.S. are now interconnected and capable of supporting email services. Work has begun to include basic web services to this new multinational capability.

Law Enforcement and Investigation Policy Development

In accordance with the accountability framework, Defence developed policy recommendations relating to Military Justice, provided oversight and established general policies on the provision of efficient, effective and impartial Military Police law enforcement and National Investigative Services to DND and the CF and created a strategy to support a new grievance system. The following highlights Defence's accomplishments in these areas of responsibility.

Military Justice System

In December 2004, the Office of the Judge Advocate General (JAG) completed the development of policy recommendations in response to the 57 recommendations of the Lamer Report relating to military justice. Following appropriate briefings to Departmental authorities in January 2005, a detailed set of drafting instructions flowing from these policy recommendations was provided to the Department of Justice. The JAG Internal Review Team has been working closely with the Legislative and Regulatory Services directorate of DND/CF LA to prepare a package of proposed statutory and regulatory amendments arising from the recommendations. For additional information visit: http://www.dnd.ca/jag/main_e.asp.

Canadian Forces Provost Marshal

The Force Protection Steering Committee was established during the 2004–2005 fiscal year and the CFPM took a lead role in influencing force protection related issues within the Department, in line with the expectations of the Government of Canada. Specific progress was made in training for mitigation, response, and recovery planning in response to conventional and asymmetric threats.

The following highlights the accomplishments of the Canadian Forces Provost Marshal for fiscal year 2004–2005:

- The Military Police Credentials Review Board (MPCRB) procedures were reviewed and updated to reflect changes in procedure consistent with natural justice and CF regulations and policy;
- The CF Drug Investigations Team was formally stood up and has enhanced this aspect of the Canadian Forces National Investigation Service (CFNIS) investigative mandate; and
- The Military Police continued to take a lead role in the Integrated Computer Crime Unit (Ottawa). Through this joint, multi-jurisdictional policing effort the Provost Marshal made specific improvements that support both CF and public interests, especially in the field of computer forensics.

The Canadian Forces Provost Marshal (CFPM) is mandated to formally report annually to Parliament regarding the status of policing within the CF. The report for fiscal year 2004–2005 is available on the CFPM website at: http://www.vcds.forces.gc.ca/cfpm/org/anrep/intro_e.asp

Canadian Forces Grievance Authority

The Director General Canadian Forces Grievance Authority (DGCFGA) was officially established on January 1, 2003 with the mandate to manage and support the grievance process as a national system. DGCFGA created a four-part strategy calling for the organization to build a new grievance system, eliminate the backlog, mobilize participants to work within the system and, through achievement of these objectives, re-build confidence in the process.

To establish the credibility of the CF commitment to grievance reform and to measure success in achieving the four-part strategic goal, DGCFGA established performance measurements in terms of backlog reduction to a one-year portfolio breadth of a grievance—from the initial submission of a grievance to final decision.

The Grievance Portfolio includes grievances inherited as of January 1, 2003 and those grievances that have accumulated each year since. During fiscal year 2004–2005, the DGCFGA resolved 496 grievances while it received 257 grievances for the year. The time from initial submission to final decision of a grievance was shortened from 48 months to 29 months and continues to decrease. At this current rate, the projected objective for achieving a one-year grievance portfolio and a one-year resolution rate shall be attained by December 31, 2005.

Audit and Evaluation

In fiscal year 2004–2005, the Chief of Review Services continued to deliver high-quality audit and evaluation services consistent with current Defence priorities and long-term objectives and aligned with the Defence performance management strategy map.

Audit

The Chief of Review Services (CRS) received a significant budgetary increase in fiscal year 2004–2005 to enhance the capability of the internal audit function. This increase, expected to be fully phased-in by fiscal year 2006–2007, will augment the Branch's complement of internal auditors.

A particular focus of audit work has been on the management of contracting, as well as governance of the information management function. This has included audits and reviews, as

well as risk analyses. This work has provided follow-on to support internal audit for the recovery of $146M to the Crown, and has targeted improvements to applicable management systems and internal controls.

Other major audit and review work completed during fiscal year 2004–2005 examined topics such as: the Canadian Forces Health Information System; Travel, Hospitality and Conferences; and Public Key Infrastructure.

Evaluation

The 2004–2005 fiscal year saw the completion of a CRS Evaluation of Vanguard/Main Contingency Force Readiness & Sustainment. CRS also completed an Evaluation of a contribution program, the Civil Air Search and Rescue Association (CASARA); this evaluation highlighted the cost effectiveness of CASARA in assisting DND in carrying out its search and rescue responsibilities. In addition, an Evaluation of Ammunition Safety was completed which recommended the introduction of an improved regulatory safety regime, based on established regulatory principles. CRS evaluators also provided advice and assistance to a number of managers enabling them to request Treasury Board approval for their respective grants and contributions programs.

A list of audit and evaluation work completed in fiscal year 2004–2005 can be found in Appendix D. Completed reports can be found on the CRS website at the following link: http://www.forces.gc.ca/crs/rpt/reports_e.htm.

Access to Information and Privacy

The mandate of the Directorate of Access to Information and Privacy (DAIP) is to act on behalf of the Minister of National Defence in enforcing compliance with the legislation, regulations, and government policy with regards to access to information and privacy. At DND, DAIP administers and co-ordinates both the *Access to Information Act (ATIA)* and the *Privacy Act (PA)*. The DAIP organization comes under the authority of the Assistant Deputy Minister Finance and Corporate Services. DAIP may seek specialist advice on legal, public affairs, and policy matters from other NDHQ organizations and specialists as required.

For the fiscal year 2004-2005 the Department of National Defence processed 1,284 *ATIA* requests and 4,239 *PA* requests with an on time completion rate of over 84%.

For more information on access to information and privacy at Defence, including the National Defence Annual Report to Parliament, please visit: http://http://www.admfincs.forces.gc.ca/ati/intro_e.asp.

Safety

Nuclear Safety

The Director General Nuclear Safety (DGNS) is accountable for the development, co-ordination, and assurance of the implementation of a comprehensive nuclear safety program for the DND/CF. This responsibility encompasses the many radioactive materials and other sources of ionizing radiation in use within the DND/CF with a view to assuring overall design, development and operational safety. DGNS is responsible for auditing compliance with the nuclear safety

program, which includes technical safety analyses of the adequacy of design and behaviour of equipment and activities initiated by or including DND/CF personnel.

Performance information on nuclear safety is reported in the Annual Report on Nuclear Safety in DND and the CF.

General Safety

DND and the CF maintain the General Safety Program to ensure safety considerations are incorporated into every aspect of Defence operations, training and support activities. The General Safety Program satisfies the requirements of the *Canada Labour Code, Part II* while reducing personal suffering and materiel losses, improving DND/CF efficiency and contributing to operational effectiveness, and wellbeing of all Defence personnel.

Achievements in 2004 included the introduction of an overall governance structure for health and safety within the DND/CF and an enhanced hazardous occurrence investigation capability.

These, and other Program activities, may be found in the Director of General Safety's Annual Report at: http://www.vcds.dnd.ca/dsafeg/pubs/programdocuments/intro_e.asp.

Detailed information on the General Safety Program, including the Chief of Review Services' evaluation of the program and performance measures used to gauge its overall effectiveness, is available at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2004/safProg_e.asp

Environmental Stewardship

Sustainable Development Strategy 2003, Environmentally Sustainable Defence Activities, (SDS 2003) sets the strategic environmental agenda for the Department. In this first year of reporting on SDS 2003, Defence has exceeded its commitment on 2 targets and is on track for the remaining 9 targets.

Defence is also reporting on five "commitments to continual improvement" that are included in SDS 2003. The data indicates an ongoing issue with liquid effluents management. For additional information on the Sustainability Development Strategy and the Status of Fuel Storage Tanks on DND Land, see Section 6.

In terms of resources, Defence's environmental program is entrenched into the business planning process. The Corporate Environmental Program, the Decommissioning Program and the Distant Early Warning ("DEW") Line Clean-up Program are designed to address those issues with major environmental and resource impacts.

The Corporate Environmental Program provides funding for contaminated site remediation as well as for the clearance of Unexploded Ordnance (UXO). The Treasury Board's Federal Contaminated Sites Action Plan (FCSAP) supplements Defence funding of these activities.

During this reporting period, Defence approved the UXO Legacy Site Management Program to reduce the risks associated with these materials in a systematic and timely manner.

The DEW Line Clean-up Program, begun in 1996 and slated to continue until 2013, was developed with the goal of remediating 21 DEW Line sites. To date eight sites have been remediated.

Doctrine and Structure

In order to remain effective in the 21st century, Defence must develop concepts, structures and doctrine that will support a leading-edge learning, sharing and knowledge-based organization. Many initiatives were undertaken to update and improve Defence doctrine and procedures to remain relevant in the contemporary operational environment and include the following:

- The Force Employment Concept in the army (Army of Today) and the concepts for future army capabilities (Army of the future to meet "Strategy 2020") were amongst the important publications produced during the assessed period;
- The air force actively pursued its transformation initiatives as outlined in *Strategic Vectors*, conducting a strategic review and refining its force structure vision for 2025. A key element of this structure for deployed operations is the Air Expeditionary Force, consisting of subcomponent Tactical Self-Sufficient Units for each capability and the Air Force Support Capability. Work was initiated to organize the air force to be able to sustain deployed operations in accordance with the CDS vision;
- Significant progress was made regarding the establishment of the Canadian Forces Aerospace Warfare Centre (CFAWC), a key element of air force transformation. The role of the CFAWC is to explore new concepts and analyze past experiences to provide a responsive aerospace doctrine process;
- The Information Management Group produced a number of concept papers relating to Canadian Network Enabled Operations and U.S. Network Centric Warfare;
- The Materiel Group worked to further develop CF joint logistics doctrine and future logistics concepts by:
    - Harmonizing all new Environmental Chief of Staff (ECS) doctrine with joint logistics doctrine; and
    - Reviewing the logistics doctrine and concepts of our closest allies.
- The Infrastructure and Environment Group developed joint concepts, structures and doctrine for military engineering capability by:
    - Participating in the development of joint projects such as Force Protection, National Military Support Capability, Joint NBC Company, Disaster Assistance Response Team enhancements, Military Occupation Structure Redesign and Tailoring, and Human Resources Systems Transformation; and
    - Conducting CF Military Engineering Strategic Intent (Vision) and capability gap analysis.

In support of NATO operations, Defence:

- Participated in the development of NATO Network Enabled Operations concepts and Doctrine and the review of NATO logistics doctrine and concepts;
- Participated in Multinational Experiment 3. The goal of the experiment was to explore how an emerging joint concept called Effects-Based Planning works in a coalition and NATO environment; and

- Staffed and forwarded to NATO proposals to the NATO Maritime Tactical Publications made by Canada or other nations.

Public Information and Outreach

Public Affairs supported the Department's efforts to facilitate the public's understanding of the role of DND and the role and contributions of the CF to Canada as a national institution and actively engaged in the following significant announcements/activities/initiatives:

- Expansion of the CF by 8,000 members, nomination and subsequent election of General Ray Henault as Chairman of NATO's Military Committee, change of command of the Chief of the Defence Staff, 2004 and 2005 Federal Budgets and preparations for the Defence Policy Statement;
- Delivered 60-plus outreach activities across Canada designed to raise awareness of CF operations, including *ATHENA*, *HALO*, *STRUCTURE*, the CF's contribution to NATO, and an additional 70-plus outreach activities on specific topics, including general overviews of DND/CF, the navy, the army, the air force, the Snowbirds, and CF transformation;
- Supported DND/CF speakers and personnel by:
    - Producing a range of presentations and speaking notes on topics such as "Defence 101," "DART," "Afghanistan," and "Haiti," in addition to developing a "Speaker's Corner" website; and
    - Developing Veterans Week products including speeches for adult and youth audiences, a presentation, and a photo image CD-Rom. DND/CF personnel used these products to reach Canadians through Veterans Week activities.

Public Affairs delivered programming and activities targeting key traditional and non-traditional stakeholder groups by:

- Coordinating outreach activities profiling the Canada-U.S. defence relationship for U.S. and Canadian stakeholders. Activities included two familiarization visits to NDHQ and other DND/CF installations for high-level U.S. stakeholders; two familiarization visits to NORAD HQ for Canadian stakeholders; speakers programs and roundtables in Canada and the U.S.;
- Delivering 10-plus speakers for academic conferences and women's organizations;
- Co-ordinating familiarization visits to Afghanistan and DND/CF installations for academics;
- Co-ordinating approximately 435 Veterans Week activities that reached 129,000 adults and youth; and
- Producing the "2004 Year in Review" DVD, a collection of Combat Camera documentaries that were distributed to Canadian schools.

The Department's 2004–2005 public information and outreach program increased awareness of CF operations amongst key stakeholder groups and Canadians. Activities that profile the Canada-U.S. defence relationship have helped Canadian and U.S. stakeholders understand the relationship and the CF's role in continental security. Further, this programming has fostered a third-party effect, whereby stakeholders who participate in our programming have informed

others about DND/CF through conferences, printed publications, lectures, media interviews, and other forums.

Co-operation in Public Affairs

Defence contributed to horizontal communications with other government departments and other levels of government on national issues. For example, Defence:

- Continued 3-D Afghanistan programming by coordinating four stakeholder visits to Kabul showcasing Canada's defence, diplomacy, and development contributions to Afghanistan. Defence also worked closely with Foreign Affairs Canada (FAC) and the Canadian International Development Agency (CIDA), the other departments involved in the 3D approach, and the Privy Council Office, to develop communications products for the international operations in Afghanistan, Haiti and Sri Lanka, therefore contributing to the success of the missions;
- Led the communications approach for the launch of the Canadian Military History Gateway (CMHG), an online service giving free access to digitized Canadian Military History resources through a single point of entry. The CMHG project included partners from Veterans Affairs Canada, Heritage Canada, CBC, the Canadian War Museum, the National Film Board, Libraries and Archives Canada, and Parks Canada;
- Liaised with several departments and agencies on key Departmental and Government of Canada initiatives, policies and priorities and worked directly with FAC, CIDA, and International Trade Canada, developing, planning and implementing successful communications activities in support of the International Policy Review.

The success of these public affairs activities was premised on a significant level of inter-departmental co-operation, co-ordination and mutual support. It allowed the Government of Canada to capitalize on the strengths of each department and agency relevant to the issue at hand, and maximized the resources each department and agency committed to public affairs.

Promote Canadian Values and Interests

Defence participated in several projects/activities that promoted Canadian interest and values at home and abroad including:

Partnership for Peace (PfP)

- PfP Exercise MAPLE ARCH 04 conducted in the Ukraine: The aim of Exercise MA 04 was to "train the trainers" within selected Lithuanian, Polish and Ukrainian units. The primary training audience for Ex MAPLE ARCH 04 was company level officers and NCOs. These personnel participated in a progressive training programme that consisted of formal lectures, demonstrations and practical scenario training; and
- PfP Exercise RECAMP conducted in Benin, Africa: Ex RECAMP was one of three initiatives by France, the UK and U.S. to train African militaries and enhance their capacity to undertake peace support operations through individual peacekeeping training, pre-positioned equipment bases and field peacekeeping training exercises.

Pilgrimages – During fiscal year 2004–2005 several ceremonies were organized by DND in support of the 60th Anniversary of the End of the Second World War in Europe, specifically ceremonies at Juno Beach and in Italy.

Honours and Awards – Defence also officially unveiled and presented the General Campaign Star (GCS) and the General Service Medal (GSM) to Canadian military personnel. The GCS is awarded to members of the CF who deploy into a defined theatre of operation in the presence of an armed enemy. The GSM is awarded to CF members who deploy outside Canada – but not necessarily into a theatre of operations – to provide direct support, on a full-time basis, to operations in the presence of an armed enemy. More than 5,000 awards had been made to year-end.

A comprehensive list recognizing military and civilian individuals and team achievements is provided in Appendix A.

Conclusion: Corporate Policy and Strategy

During the reporting period, this capability program produced and implemented corporate policies and strategies to achieve broad government objectives, provided appropriate governance and management mechanisms in support of departmental objectives and provided defence and security advice to government.

Section 5: Selected Defence Portfolio Organizations

Communications Security Establishment and the National Cryptologic Program

Mandate

Established in 1946, the Communications Security Establishment (CSE) has been an agency in the portfolio of the Minister of National Defence since 1975.

CSE has a mandate to:

- Acquire information from the global information infrastructure and use it to provide foreign intelligence in accordance with Government of Canada intelligence priorities;
- Provide advice, guidance and services to help ensure the protection of electronic information and information infrastructures that are important to the Government of Canada; and
- Provide technical and operational assistance to federal law enforcement and security agencies in the performance of their lawful duties.

As Canada's cryptologic agency, CSE provides two separate but related programs:

- Signals Intelligence (SIGINT) program: provides unique, timely foreign intelligence consistent with Canadian government requirements and priorities; and
- Information Technology Security (ITS) program: provides technical leadership and expertise, advice, guidance and services to meet Government of Canada needs for protection of information, information systems and infrastructures.

Risks and Challenges

The challenges and risks most significant to CSE arose from the rapid evolution of the global security environment and changes in information and communication technology. In fiscal 2004–2005, CSE focused on:

- Meeting the operational demands of the new security agenda;
- Keeping ahead of the technological environment in all three of its mandated functions; and
- Managing the institutional growth that began with Budget 2001 and the *Anti-Terrorism Act*.

Performance Summary

The Communications Security Establishment (CSE) plays a key role in fulfilling two priorities of the *National Security Policy*: enhancing intelligence collection and protecting the Government's computer networks and systems.

In fiscal year 2004–2005, CSE significantly enhanced its security intelligence focus and collection capabilities. New analysts were hired, counterterrorism and security requirements

were elevated to the top tiers of CSE's signal intelligence (SIGINT) priorities, and CSE's Office of Counterterrorism now operates seven days a week. Given the security threats facing Canada and its allies, CSE devoted a greater proportion of its efforts to security intelligence and continued to collaborate closely with the Canadian Security Intelligence Service in this area.

A multi-year implementation plan and performance measurement framework was developed for the SIGINT program, with the goal of strengthening CSE's leading edge intelligence collection capabilities. CSE's enhancements in collection allowed for closer technical integration with the signals intelligence activities of Canada's allies.

CSE supported the creation of the Integrated Threat Assessment Centre and deployed several personnel to support its analysis and reporting functions. CSE also hired additional personnel to enhance its support of CF operations, and has taken steps to strengthen its overall recruitment and hiring practices.

In managing cyber risks, CSE focused on the prevention of cyber attacks against Government systems and networks. Its efforts were directed towards developing and providing leading-edge technical and strategic advice, guidance and solutions based on sophisticated tools and resources, including the development indicators and warning and advanced cyber defence capabilities. CSE has also developed the architecture to detect, analyse and respond to cyber threats and incidents through a co-ordinated government response.

In support of the Government's efforts to improve interoperability, CSE provided technical advice, guidance and architecture solutions for a proposed network for secret communications. Moreover, it continued to support the Government's objective for common and shared Information Technology (IT) service delivery in order to better respond to cyber incidents. CSE is also the Government lead for the Canadian Crypto Modernization Program, a major project to replace Canada's aging secure communications systems. Finally, CSE is expanding the range of IT security professional services available to Government departments.

Resources

Human Resources

	Actual 2002–2003	Actual 2003–2004	Planned 2004–2005	Actual 2004–2005
Civilian FTEs	**1,115**	**1,218**	**1,240**	**1,424**

Source: Assistant Deputy Minister (Human Resources – Civilian)

Financial Resources

Financial ($ 000's) by Fiscal Year				
	Actual Spending 2002–2003	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Vote 1 - Salary and Personnel [1]	75,089	81,162	77,559	105,146
Vote 1 - Operating and Maintenance [2]	46,332	50,923	54,631	69,465
Sub-total Vote 1	**$121,421**	**$132,085**	**$132,190**	**$174,611**
Vote 5 - Capital [3]	51,688	37,114	66,372	34,649
Grand total	**$173,109**	**$169,199**	**$198,562**	**$209,260**

Source: Communications Security Establishment (CSE) and Assistant Deputy Minister (Finance and Corporate Services)

Notes:

The difference between Planned Spending and Actual Spending for 2004–2005 is due to the following:

1. Vote 1 - Salary and Personnel:

Actual Spending reflects the additional funding received during the fiscal year for:

- Collective bargaining arbitration award covering the period February 10, 2002 through February 9, 2006, $14.2M;
- A permanent vote conversion, from Vote 5 Capital to Vote 1 Salary and Personnel, was made to cover recurring Salary expenses, increasing Salary budget by $12.6M; and
- A one-time vote conversion was made to cover costs not reimbursed by Treasury Board for an arbitration award, $0.8M.

2. Vote 1 - Operating and Maintenance:
   - A permanent adjustment was made to move funding from Vote 5 Capital to Vote 1 Operating and Maintenance, $9.8M;
   - Equipment purchased on behalf of Assistant Deputy Minister (Information Management), $2.3M;
   - Unexpended amounts carried forward from 2003/04 to 2004/05, $3.8M; and
   - Infrastructure Management/Information Technology reductions, $0.8M.

3. Vote 5 - Capital:
   - A permanent adjustment was made to move funding from Vote 5 Capital to Vote 1, -$24.9M;
   - Unexpended amounts carried forward from 2003/04 to 2004/05, $2.0M;
   - Unexpended amounts carried forward from 2004/05 to 2005/06, -$7.0M; and
   - Projects were delayed due to late approval of additional National Security Policy resources, -$1.8M**.**

For more details on the Communications Security Establishment and the National Cryptologic Program visit: http://www.cse.dnd.ca.

Defence Research and Development Canada

Mandate

The mandate of Defence Research and Development Canada (DRDC), a special operating agency in the Defence portfolio, is to ensure the CF are technologically prepared and operationally relevant.

Risks and Challenges

Military systems run an increasing risk of rapid technological obsolescence. The challenge for DRDC is to continually seek innovative approaches that will exploit technology to enhance, transform and maintain operational capability, while taking into account factors such as affordability, and operational and human consequences. The DRDC Technology Investment Strategy (TIS) identifies those Science and Technology (S&T) capabilities that DRDC must possess in order to deliver on the research and development needs of the CF and DND. DRDC is re-writing the TIS to become the departmental S&T Strategy and will include changes resulting from the new Defence Policy Statement as well as those suggested by our research under the Technology Investment Fund (TIF) program. The TIF is a high-risk, high-payoff program of research projects with potential military applications, which point to new opportunities for investment.

Collaboration

DRDC participates in many activities undertaken under the auspices of formal international programs, such as The Technical Cooperation Program (TTCP) and those conducted by the North Atlantic Treaty Organization (NATO). These, along with national efforts, help us transition the products of our research into concepts, equipment and services needed by the Canadian Forces.

Performance Summary

The Technical Co-operation Program (TTCP) is an international organization that collaborates in defence scientific and technological information exchange, program harmonization and alignment, and shared research for the five participating nations: Australia, Canada, New Zealand, the United Kingdom and the United States.

DRDC assumed a leadership role in The Technical Co-operation Program examination of how science and technology can best advance network centric warfare (NCW) principles and practices and their impact on TTCP. This effort resulted in a TTCP NCW Enterprise document that provides a comprehensive strategy by which the TTCP will advance this critical operational concept.

DRDC followed this TTCP initiative by sponsoring, jointly with the Vice Chief of the Defence Staff and the Deputy Chief of the Defence Staff, the Network Enabled Operations (NEOps) Symposium in November 2004. Attended by approximately 800 participants, the Symposium featured presentations by military and civilian experts from Australia, the UK and the U.S., in addition to speakers from Canadian government departments and agencies. The *Network*

Enabled Operations: Keystone Document resulting from the Symposium and its follow-on work is expected to become a key contributor to the implementation strategy for the new Canadian Forces Integrated Operating Concept.

DRDC played a significant role in the 2004 Concept Development & Experimentation Conference, hosted jointly by the US Joint Forces Command, the NATO Supreme Allied Commander Transformation and the Department of National Defence. The theme of the conference was "Driving Concepts to Capabilities" and brought together 230 participants from 24 nations. DRDC's Chief Executive Officer delivered a keynote address on the challenges associated with the conference theme, and DRDC's top military officer, the Associate Director General Research and Development Programs, moderated a breakout session entitled "What Homeland Security concepts and capabilities are emerging from your experimentation?" DRDC's contributions led to the general recognition of the role of science and technology in concept development and experimentation (CD&E), and best practices that are being adopted throughout the CD&E community.

The NATO Crisis Management Exercise (CMX) is a political-military exercise designed to test current and evolving crisis management arrangements and procedures. The CMX play a key role in maintaining and improving NATO's ability to manage crises and to consolidate lessons learned from real crises and operations. DRDC supported CMX05 through its participation on the Allied Command Transformation Analysis Team by observing the operation of the political cell of the Crisis Management Fusion Centre, and by providing analysis (observations and insights) that was included in the final report.

DRDC collaborates extensively with other national organizations, including industry, academia and other government departments and agencies. For instance, about half of DRDC's research program is conducted through contractual arrangements with the private sector.

Performance Management

DRDC undertook a major overhaul of the peer review process to provide us with better quality reports on our areas of research as defined in the TIS. A process was redesigned aimed at bringing together scientific managers and external experts to develop recommendations for improvement to the program through a series of facilitated discussions. This process has now been applied in reviews of Electro-optical Warfare and Radio Frequency Electronic Warfare.

DRDC continued to monitor its performance through performance indicators and measures for the strategic objectives of its Strategy Map. The DRDC Strategy Map works from four perspectives: Customer, Value for Money, Internal and Foundation and is closely aligned with the Defence Strategy Map. Each perspective is associated with two or three strategic objectives, areas in which DRDC must excel to fulfil its mandate. Through monthly performance reports to senior management, DRDC was able to identify and address areas where attention is needed.

Resources

Human Resources

	Actual 2002–2003	Actual 2003–2004	Planned 2004–2005	Actual 2004–2005
Civilian FTEs	**1,286**	**1,395**	**1,357**	**1,379**

Source: Assistant Deputy Minister (Human Resources – Civilian)

Financial Resources

Financial ($ 000's) by Fiscal Year				
	Actual Spending 2002–2003	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Vote 1 - Salary and Personnel [1]	77,232	95,364	88,805	96,451
Vote 1 - Operating and Maintenance [2]	29,878	30,744	24,726	25,873
Vote 1 - Research & Development Contracts	89,260	81,528	94,197	94,237
Vote 1 - Environment [3]	–	1,364	5,336	1,654
Vote 1 - Canadian Centre for Mine Action Technologies **(CCMAT)**	1,985	2,378	2,911	2,115
Vote 1 - Chemical, Biological, Radiological and Nuclear (CBRN) Research and Technology Initiative **(CRTI)** [4]	4,402	19,222	27,400	30,417
Sub-total Vote 1	**$202,757**	**$230,600**	**$243,375**	**$250,747**
Vote 5 - Capital [5]	8,727	11,093	7,462	13,492
Vote 5 - Counter Terrorism Technology Centre **(CTTC)** [6]	–	–	4,000	1,500
Vote 5 - Chemical, Biological, Radiological and Nuclear (CBRN) Research and Technology Initiative **(CRTI)** [7]	11,028	7,754	4,000	2,954
Sub-total Vote 5	**$19,755**	**$18,847**	**$15,462**	**$17,946**
Grand total	**$222,512**	**$249,447**	**$258,837**	**$268,693**

Sources: Defence Research and Development Canada (DRDC) and Assistant Deputy Minister (Finance and Corporate Services)

Notes: The difference between Planned Spending and Actual Spending for 2004–2005 is due to the following:

1. Vote 1 - Salary and Personnel costs were higher due to:

Terminable allowances paid to certain employment groups	$6.5M
Negotiated Salary increases	$0.5M
Rejuvenation	$0.6M

2. Vote 1 - Operating and Maintenance unfavourable variance mostly due to higher energy costs, property taxes (PILT) and higher maintenance costs of facilities.
3. Vote 1 - Environment: Projects postponed due to difficulty in finding qualified contractors to deal with environmental issues. The start of the Experimental Proving Grounds Contamination Site Remedial Project was delayed pending the confirmation of clean-up site locations. A few projects in Valcartier slipped due to the lack of human resources within Defence Research and Development Canada.
4. Vote 1 - Previous year's project slippage was caught up and more Chemical, Biological, Radiological and Nuclear (CBRN) Research and Technology Initiative (CRTI) were completed ahead of schedule.
5. Vote 5 - Capital: In order to meet Research & Development requirements more funds than planned were spent on Capital.
6. Vote 5 - Construction of Counter Terrorism Technology Centre (CTTC) began later than originally anticipated.
7. Vote 5 - CRTI Capital requirements were less than anticipated.

For additional information on DRDC visit: http://www.drdc-rddc.gc.ca.

The Reserve Force

The Reserve Force is essential to the CF mobilization-planning doctrine because it provides capabilities and additional capacity required at each stage of mobilization. The primary roles of the Reserve Force are to augment, sustain and support deployed forces and to perform some tasks not performed by Regular Force members.

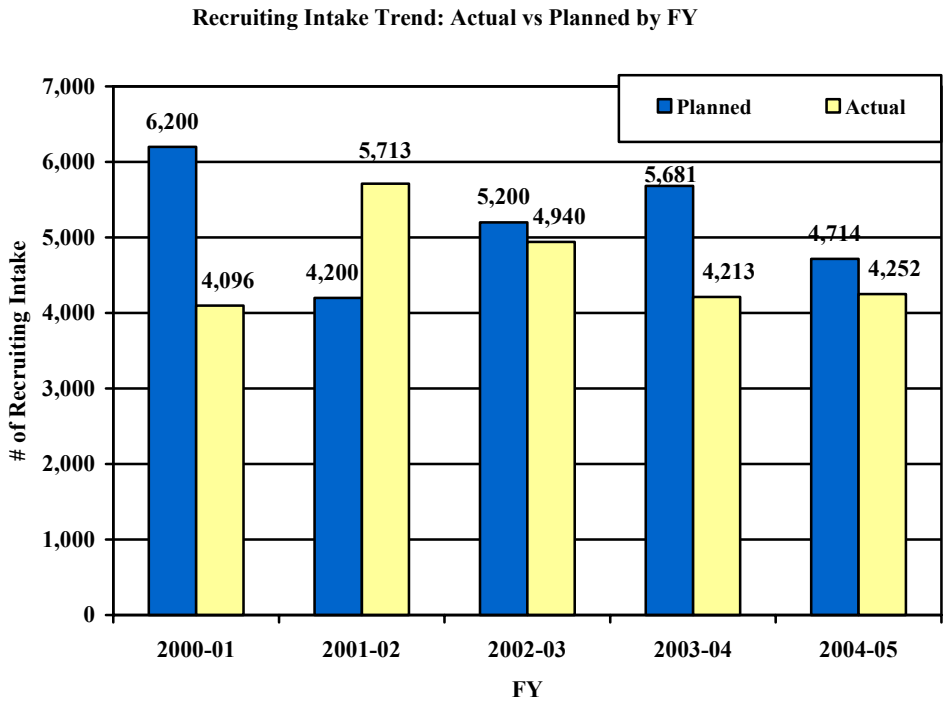
The Reserve Force is divided into four sub-components:

- 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, the Legal Reserve and the National Defence Headquarters Primary Reserve List. Since about 1955, the Primary Reserve Force has augmented the Regular Force and serves as a surge capacity when required. Formed units that deploy on international operations are routinely augmented by up to 20 percent with Primary Reservists. The proportion of reserve participation for all CF operations over the reporting period averaged approximately 13 percent.

The following chart illustrates planned vs. actual intake of recruits for the primary Reserve.



The following points describe the major initiatives and accomplishments of the Primary Reserve in fiscal year 2004–2005:

- 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. The strength of the Naval Reserve increased by 200 to 3,956 personnel this past year. 2,370 personnel were employed during the peak summer period while 1,340 personnel were employed during the remainder of the year. 343 Naval Reservists were employed on Class C service in support of CF contingency and security operations.

  The success of the Directed-On the Job Training program to qualify Maritime Engineering System Operators led to its expansion to all other Naval Reserve non-commissioned member trades. The Occupational Specification Implementation Plan for the migration of the Naval Control and Guidance for Shipping Occupation to Intelligence (Sea) was completed and Basic Intelligence Officers Courses commenced at the Canadian Forces Fleet School (Québec). The personnel requirement, as derived from the Maritime Security Operations Centers' establishment continues to be reviewed to ensure sufficient production.

- Trend analysis shows an annual increase since 2000 in the number of personnel the Army Reserve provides to overseas operations. In fact, Reservists are critical to the Army Managed Readiness Plan for both domestic and international operations. Of an assigned growth target of 1,500 personnel, the Army Reserve was able to increase by 782 soldiers while establishing new capabilities such as chemical, biological, radiological and nuclear (CBRN) defence and psychological operations. For example, the Army Reserve has an effective strength of approximately 15,450 soldiers working with some 135 units spread across Canada in 115 locations, and approximately 300 reservists deployed overseas. A substantial number of Army Reservists were deployed to Bosnia-Herzegovina on *Operation PALLADIUM* and participated in small numbers on operations in Afghanistan, the Democratic Republic of Congo and Haiti. The following table shows the individual capability performance by strength:

INDIVIDUAL CAPABILITY PERFORMANCE BY STRENGTH			
	Assigned Growth Targets – 2004–2005	**Achieved Growth to March 31, 2005**	**Percentage Change**
Infantry	563	394	70%
Engineers	291	114	39%
Military Police	79	36	46%
Public Affairs	29	16	55%
Geomatics	40	15	38%
Intelligence All Source Cell	30	20	66%
Civil Military Co-operation (CIMIC)	212	92	43%
Psychological Operations (PSYOPS)	44	44	100%
Contingency Planners	80	12	15%
Connect With Universities	72	10	14%
Chemical, Biological, Radiological, Nuclear (CBRN)	60	39	65%
Total	**1,500**	**782**	**52%**

- The air force integrated Air Reserve units and their highly trained men and women into Total Force formations and a single chain of command that supports all aspects of air operations. Currently, the total strength of the Air Reserve stands at approximately 2,300 personnel in all ranks. This Total Force integration permitted Air Reserve units across Canada to participate actively in daily air force functions and to make a positive contribution to alleviating the demands of the high operational tempo.
- The Communication Reserve generated combat-capable Communication Information System and Information Operations elements in support of CF operations at home and abroad.

  During the reporting period, 137 Communication Reserve personnel served tours at CFS Alert and on *Operation ATHENA*, *Operation BOREAS*, *Operation BRONZE*, *Operation DANACA*, *Operation HALO*, *Operation HAMLET* and *Operation PALLADIUM*. The Communication Reserve also managed several light National Command and Control Information System detachments at varying states of readiness (24, 48 and 72 hours' notice to move) for assigned missions. The effective strength of the Communication Reserve remained at about 2,000 personnel, located at 23 units across Canada.
- The Health Services Reserve comprises about 1,200 personnel and they have been organized into one of the following two functional groups: 14 Reserve Field Ambulance units or centrally managed Health Services Primary Reserve List (PRL), which is composed principally of 175 trained clinicians. The Health Services Reserve provides trained personnel to support, augment and sustain CF Health Services organizations while building and maintaining links with their local clinical community. Over the past year, 166 Health Services Reservists augmented garrison Health Care Clinics, the Field Ambulance units and headquarters. Reservists filled approximately 10% of the deployed Health Services tasks.
- Reserve Force legal officers serve on a part-time basis in the Legal Reserve, their primary employment usually being a full-time civilian legal position. To a large extent, their careers mirror those of Regular Force legal officers.

The Supplementary Reserve

The Supplementary Reserve is composed of former Regular Force and Reserve members who are no longer actively involved in the CF but are willing to be called out in an emergency. Members are not required to train or perform regular duties, but have agreed to report for service should they be needed to augment the CF. Members who are called out are usually attached to the Regular Force or Reserve Force for an agreed period of time. Upon completion they return to the Supplementary Reserve, which currently stands at about 40,000 in all ranks.

Cadet Instructor Cadre

The Cadet Instructor Cadre (CIC) is a sub-component of the Reserve Force, consisting of officers who have undertaken, by the terms of their enrolment, to perform such military duty and training as may be required of them, but whose primary duty is the supervision, administration and training of cadets 12 to 18 years of age. Their mandate is to ensure the safety and welfare of cadets while developing in them characteristics of leadership, citizenship, and physical fitness, and stimulating the interest of youth in the sea, land and air activities of the CF.

Progress made this past year on the CIC Change Management Project (CIC CMP) is leading the way to the review of CF policies and procedures in conjunction with Assistant Deputy Minister (Human Resources – Military). The Occupational Specification Implementation Plan (OSIP) portion of the CMP is scheduled for implementation in 2006.

Canadian Rangers

The Canadian Rangers provide a military presence in sparsely settled, northern, coastal and isolated areas of Canada that cannot be covered conveniently or economically by other elements of the CF. The Canadian Rangers were employed in a variety of roles including sovereignty patrols, one of the critical services they provide.

The personnel strength of the Canadian Rangers continued to grow in 2004–2005, increasing from 4,096 to 4,186, although the number of patrols was reduced from 165 to 163 as a result of amalgamation for efficiency reasons. Canadian Rangers continued to serve their communities as instructors and facilitators for the Junior Canadian Ranger Program.

The table below reflects the planned and actual strength of the Reserve Force for the last three fiscal years.

Reserve Force						
	2002-2003		2003-2004		2004-2005	
	Planned	**Actual**	**Planned**	**Actual**	**Planned**	**Actual**
Primary Reserves	26,086	24,597	26,939	22,242	28,151	25,633
CIC	6,000	5,076	6,000	5,500	9,100	7,050
Canadian Rangers	4,005	4,024	4,205	4,071	4,205*	4,179
Supp Reservists	35,000**	57,000	35,000**	45,000	35,000**	40,000

Source: Vice Chief of the Defence Staff (VCDS)
Notes:
*The CAN RAN 2000 Project planned expansion of the Canadian Rangers to 4,375 personnel for FY 2004-05. The expansion is currently in a strategic pause in accordance with VCDS direction limiting growth to the 2003-04 planning level pending formal review.
** Projected strength following completion of Restructure Project.

Benefits to Canadians

Like our NATO allies, Canada has recognized the importance of the Reserve Force. As the costs of military training and paying a regular force increase, the Reserve Force has proven to be a cost-effective way to meet Canada's defence needs.

For additional information on the Reserve Employment Support Program visit:
http://www.cflc.forces.gc.ca

Primary Reserve Financial Resources

Financial resources by Fiscal Year				
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Type of Expenditure				
Reserve Pay [1]	363,047	431,618	418,600	484,016
Regular Support Staff	111,718	121,282	124,315	129,579
Reserve Operating	65,518	64,159	62,561	57,285
Subtotal Direct	**$540,283**	**$617,059**	**$605,476**	**$670,880**
Ammunition [2]	30,196	19,372	34,470	12,917
Equipment Usage	74,218	70,390	71,536	71,466
Clothing	10,487	11,073	11,261	11,516
Facility Operating	32,619	30,067	30,669	31,917
Subtotal Indirect	**$147,520**	**$130,902**	**$147,936**	**$ 127,815**
Base Support [3]	143,513	160,598	164,209	180,558
Training	6,908	7,196	7,376	7,025
Subtotal Attributed	**$150,421**	**$167,794**	**$171,585**	**$ 187,762**
Subtotal Primary Reserve	**$838,224**	**$915,755**	**$924,997**	**$986,457**
Operating				
Dedicated Capital	14,327	10,515	9,396	4,709
Shared Capital	45,701	44,228	106,763	97,749
Subtotal Capital	**$60,028**	**$54,743**	**$116,159**	**$102,458**
Total Primary Reserve Costs	**$898,252**	**$970,498**	**$1,041,156**	**$1,088,915**

Source: Assistant Deputy Minister (Finance and Corporate Services)

* Primary Reserve pay amounts do not include Reservists in support of Rangers, Cadet or Supplementary Ready Reserve programs, but do include Reservists working in support of regular force activities.

Notes:

The difference between Planned Spending and Actual Spending for 2004–2005 is due to the following:

1. Reserve pay has increased due to an increase in training days over those forecast primarily due to the removal of the Treasury Board salary freeze, and to the approval of pay and allowance increases for personnel.
2. Ammunition expenditures were lower than anticipated due to course cancellations, lower than expected summer collective training exercises and restriction on soldier ammunition entitlement during Individual Battle anticipated attendance at Task Standard (IBTS) training.
3. The increase in Base support is due to an increase in both reservist training days and an increase in the base support rates.

For additional information on the Reserve Force visit:
http://www.vcds.forces.gc.ca/dres/intro_e.asp

Youth Programs

The Canadian Cadet Program

The objectives of the Canadian Cadet Program are to develop the attributes of good citizenship and leadership in young men and women, promote their physical fitness and stimulate their interest in CF operations at sea, on land and in the air. It is a federally sponsored national training program for youth between the ages of 12 and 18, conducted by Defence in partnership with the Navy League, the Army Cadet League and the Air Cadet League. The leagues recruit cadets, and organize accommodation and sponsors for each cadet unit. The CF provide personnel from the Regular Force, the Primary Reserve and more specifically members of the Cadet Instructor Cadre (CIC). The CF also provide uniforms, some infrastructure and other support services such as airlift.

Financial Resources

The Canadian Cadet Program expenditures for fiscal 2004–2005 amounted to $173.4M. The following table provides expenditures by allotment over the past three years.

Financial Resources by fiscal year				
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Vote 1 - Personnel	95,868	97,568	103,325	101,760
Vote 1 - Operating and Maintenance	67,678	67,181	64,941	65,671
Sub-total	**163,546**	**164,749**	**168,266**	**167,431**
Vote 10 – Grants and Contributions	750	750	750	990
Vote 5 - Capital	3,189	3,423	5,242	4,970
Total	**$ 167,485**	**$ 168,913**	**$174,258**	**$173,391**

Source: Vice Chief of the Defence Staff, Directorate of Reserves & Cadets

Cadet Activities

Many young Canadians benefited from Cadet training within the community at the Corps/Squadron level (Local Headquarters) conducted from September to June, under the supervision of the Regional Cadet Support Units (RCSUs): Atlantic, Eastern, Central, Prairies, Pacific and Northern. Many Cadets were selected in summer 2004 to attend one of the 25 Cadet Summer Training Centres (CSTCs) located across the country either as trainees, or as Staff Cadets in leadership roles. Participation and training data are provided in the following table:

Training	Details	Cadets	Training Days
Local Headquarters	1,140 Units	54,745	1,741,370
Summer Training	26 Training Centres	22,225	512,438

Source: Vice Chief of the Defence Staff, Directorate of Reserves & Cadets
Note: Figures as of June 2004

National Activities

Distinct National Activities were held for each Cadets element as well as other National Activities for the benefits of Cadets from all elements (Tri-Element). For example:

- 322 Canadian Sea Cadets participated in the International Exchange Program, competed in the National Regatta held in Kingston, sailed aboard the US Coast Guard cutter EAGLE off the eastern coast of the U.S., sailed aboard a tall ship off the BC coast or sailed aboard a tall ship, motor vessels or sailing cutters during the Annual Seamanship Concentration held at HMCS *QUADRA*;

- 165 Canadian Army Cadets participated in the International Army Cadet Exchange program and in Domestic and International expeditions;

- 112 Canadian Air Cadets participated in the International Air Cadet Exchange program, in the Oshkosh Trip, Wisconsin, U.S. or in the ACGP Schweizer award; and

- 319 Cadets participated in Tri-Element activities such as the Cadet National Marksmanship Championship or the National Biathlon Championship.

Detailed information on Tri-Element activities and Cadet Championships, and activities specifically for Sea Cadets, Army Cadets, Air Cadets and Junior Canadian Rangers, is available at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2004/reserves_e.asp

Junior Canadian Rangers

The Junior Canadian Rangers (JCR) Program is for youth between the ages of 12 to 18, and its aim is to provide a structured youth program through traditional, life and Ranger skills development activities. JCR Patrols are located in remote and isolated communities of Canada that have Canadian Rangers. The JCR Program is conducted in collaboration with local committees of adult community members who are in many cases supported directly by the Band, Hamlet or Municipal council. The community provides a location for training, screens potential volunteers and instructors, and schedules training activities. The CF provide uniforms, training, financial, and administrative support to the program, and CF Regular Force and Primary Reserve personnel assist delivery and evaluate JCR training during regular visits and field training exercises. The CF also provide Canadian Rangers with opportunities to serve as leaders, facilitators, supervisors and program developers. DND continued to engage local, regional, provincial or territorial and federal agencies and organizations, and other government departments, specifically Indian and Northern Affairs Canada, who remained a committed partner by providing financial resources to the fullest extent possible.

Financial Resources

Funding allocations for the Junior Canadian Ranger Program amount to a total of $5,980,545 ($985,094 allocated by the Department of National Defence, $300,000 allocated by Human Resources Development Canada, $2,295,541 allocated through the Youth Initiatives, and 2,400,000 from CANRAN 2000). The summary below outlines how the funding was allocated:

Financial Resources by fiscal year				
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Vote 1 - Personnel	2,441	2,889	2,884	2,930
Vote 1 - Operating and Maintenance	2,909	2,754	4,154	3,937
Sub-total	**$5,350**	**$5,643**	**$7,038**	**$6,867**
Vote 5 - Capital	318	327	10	14
Total	**$5,668**	**$5,980**	**$7,048**	**$6,881**

Source: Vice Chief of the Defence Staff, Directorate of Reserves & Cadets

For additional information on the Canadian Cadet Program and the Junior Canadian Rangers visit: http://www.rangers.forces.gc.ca/

Benefits and results for Canadians

Urban and isolated communities across Canada, especially Aboriginal communities, benefit from the 1,140 Cadet units and 100 Junior Canadian Ranger patrols that provide training to some 57,000 cadets and 3,000 Junior Canadian Rangers.

National Search and Rescue Secretariat and National Search and Rescue Program

Mandate

The National Search and Rescue Secretariat (NSS) was established in 1986 to provide leadership to the National Search and Rescue Program through the Interdepartmental Committee on Search and Rescue (ICSAR). ICSAR includes representatives from the federal departments and agencies providing search and rescue (SAR) services, and central agencies. The NSS reports directly to the Lead Minister for Search and Rescue (LMSAR), the Minister of National Defence.

The NSS is accountable to LMSAR for the development, co-ordination, analysis and review of federal SAR program policies and plans, and for specific activities. In addition, the NSS provides leadership in enhancing co-ordination between provincial, territorial and federal SAR programs, and advises LMSAR on program issues.

Risks and Challenges

Key National Search and Rescue Program challenges identified for fiscal year 2004–2005 were:

- Addressing major program issues;
- Refining performance measures; and
- Developing information sources further to support SAR planning and reporting.

National Search and Rescue Program – Plans and Priorities

ICSAR approved three key framework documents for the National SAR Program: Strategic Directions, 2005 Program Plan and 2004 SAR Annual Report that can be found on-line.

Program Performance

The 2004 SAR Annual Report details the results achieved, organized around the key strategic priorities for the program: Seamless SAR, SAR in the North and Marine SAR.

Seamless Search and Rescue: SAR operations routinely involve more than one of the partners and effective co-ordination and communication are essential in both the response and preventive aspects of the program. In 2004:

- A new initiative was launched to improve radio communications between front-line SAR responders. A multi-agency working group developed proposals for common calling frequencies for SAR; this work is continuing under Public Safety and Emergency Preparedness (PSEPC) and Industry Canada;
- A major Canada/U.S. multi-jurisdictional SAR exercise was conducted on Lake Erie;
- The NSS worked with 911 call centre umbrella organizations to improve their links with the Joint Rescue Co-ordination Centres, which co-ordinate federal SAR responses; and
- The NSS made progress in improved National SAR Program performance reporting through the development of an accountability framework for the program.

The North: The harsh climate and sparse population of Canada's north presents challenges in both response and prevention. At the same time, the demand for SAR operations could increase, due to increasing economic activity in the region. In 2004:

- The NSS and the Canadian Forces promoted the Major Air Disaster Plan (MAJAID) through meetings with airline industry officials and attending International Air Transport Association (IATA) Crisis Management Meetings; and
- Together with local partners the NSS continued to work towards ensuring effective integration of new communications technologies into the National SAR Program.

Marine SAR: Marine SAR is a high priority, as marine distress cases accounted for approximately 75% of federal SAR incidents reported in 2004. In 2004:

- The NSS and the Canadian Coast Guard (CCG) facilitated meetings of federal, regional and commercial stakeholders, and made progress on a new major marine disaster plan framework;
- Four new CCG Lifeboat Stations were opened at Bella Bella and Sandspit in Pacific Region, and Havre St-Pierre and Rivière au Renard in Québec Region, completing the implementation of the eight additional Search and Rescue Stations announced in 2000; and
- The NSS, CCG and Transport Canada continued to support the work of the Canadian Safe Boating Council (CSBC) to promote boating safety and communicate the results of the Personal Flotation Device (PFD) Study.

NSS Program Activities

- New SAR Initiatives Fund

  The NSS allocated $7.3M to 99 new and ongoing New SAR Initiatives Fund (NIF) projects to improve SAR in Canada, and made progress on the development of renewed terms and conditions and improved governance and reporting for the NIF to comply with Treasury Board policy and modern comptrollership.

- COSPAS-SARSAT

  COSPAS/SARSAT is an international satellite system for distress alerting, in which Canada, the U.S., France and Russia are major partners. The NSS led Canadian delegations to four international COSPAS/SARSAT Council meetings and task groups on the evolution of the program, and supported the move of the COSPAS/SARSAT Secretariat from London, UK to Montreal, planned for summer 2005.

- Communications

  The NSS supported learning, partnerships and information exchange throughout the Canadian and international SAR community through the SAR*SCENE* Workshop, Games and Trade show in Calgary, the SAR Achievement Awards, SAR*SCENE* Magazine, a prevention working group, the Canadian SAR Directory and the NSS Website http://www.nss.gc.ca.

Co-ordination with Provinces and Territories

The NSS participated in and provided administrative support to meetings of the National Ground Search and Rescue Council of Canada. Major development work was completed on the Canadian Inland Search and Rescue Incident System, which will incorporate provincial and territorial SAR case data into the National SAR Program. The NSS also participated in the development of a governance model for the new Canadian Avalanche Centre, which provides enhanced avalanche safety services to the public.

Resources

Human Resources

	Actual 2002–2003	Actual 2003–2004	Planned 2004–2005	Actual 2004–2005
Civilian FTEs	**20**	**21.5**	**22**	**17.3***

Source: Assistant Deputy Minister (Human Resources – Civilian)
* does not include 2.5 FTEs seconded into the department

Financial Resources

Table 1: National Search and Rescue Secretariat				
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Vote 1 – Salary and Personnel [1]	1,277	1,376	1,509	1,364
Vote 1 – Operating and Maintenance [2]	786	856	937	995
Sub-total Vote 1	**$2,063**	**$2,232**	**$2,446**	**$2,359**
Vote 5 – Capital [3]	7,449	7,352	8,195	4,452
Vote 10 – Grants and Contributions [4]	987	1,685	215	3,182
Grand total	**$10,449**	**$11,269**	**$10,856**	**$9,993**

Source: National Search and Rescue Secretariat and Assistant Deputy Minister (Finance and Corporate Services)

Notes:

The difference between Planned Spending and Actual Spending for 2004–2005 is due to the following:

1. Vote 1 - Salary and Personnel expenditures are lower than forecasted due to unfilled positions.
2. Vote 1 - Operating and Maintenance expenditures are higher than forecasted due to hiring of contracted temporary staff.
3. Vote 5 - Capital: During the course of fiscal year 2004/2005 an amount of $2.958M was transferred from Vote 5 Capital to Vote 10 Contributions to cover the Search and Rescue New Initiatives Fund Contribution Program expenses. The remaining variance in Vote 5 is due to project delays.
4. Vote 10 - Contributions: The $215,000 planned spending covered only the COSPAS/SARSAT contribution program. The variance is due to the Search and Rescue New Initiatives Fund Contribution Program expenses, which were initially budgeted under the Vote 5 Capital expenditures. Future improvements in accounting will provide more transparent allocation between votes.

Table 2: National Search and Rescue Program – Personnel (FTEs)				
	Actual 2002–2003	**Actual 2003–2004**	**Planned 2004–2005**	**Actual 2004–2005**
National SAR Secretariat	20	21.5	22	17.3 *
Environment Canada	14	14	14	20
Fisheries & Oceans Canada / Canadian Coast Guard [1]	N/A	N/A	N/A	N/A
Defence[2]	637	781	624	866
Parks Canada	64	64	64	64
RCMP[3]	N/A	N/A	N/A	N/A
Transport Canada[4]	7	7	7	N/A

Source: National Search and Rescue Secretariat

* Does not include 2.5 FTEs seconded into the department.

Notes:

1. FTE figures not available because CCG operations involve multi-tasking.
2. The increase in planned vs. actual FTE in 2004–2005 was due to an increase in squadron activity over the historical average.
3. As the resource allocations for SAR are provided under provincial auspices no figures are available for RCMP federal SAR activity. RCMP supports other departments with multi-tasked assets when required.
4. TC has no mandate for primary SAR and does not identify or dedicate resources to these activities. The level of personnel commitment to prevention work is under review.

Table 3: National Search and Rescue Program Costs				
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
National SAR Secretariat[1]	10,499	11,269	10,856	9,993
Environment Canada	1,600	1,600	1,600	2,100
Fisheries & Oceans Canada / Canadian Coast Guard	86,295	93,393	–	93,914
Defence[2]	181,095	161,589	101,460	136,274
Parks Canada	4,929	4,929	4,929	4,929
RCMP[3]	N/A	N/A	N/A	N/A
Transport Canada[4]	985	985	1,000	N/A

Source: National Search and Rescue Secretariat

Notes:

1. SAR New Initiatives Fund (NIF) expenditures were lower than forecast in 2004-2005 due to project delays resulting from strengthening management and financial procedures
2. The difference between planned and actual spending in 2004–205 includes increased flying hours ($17M Personnel costs) and increased O&M ($17M) due to the decision to phase in purchase of Cormorant engine modules. Cormorant cost factors have been reviewed to include the Full Cost.
3. As the resource allocations for SAR are provided under provincial auspices no figures are available for RCMP federal SAR activity. RCMP supports other departments with multi-tasked assets when required
4. TC has no mandate for primary SAR and does not identify or dedicate resources to these activities. The level of financial commitment to prevention work is under review.

More information on the National SAR Secretariat and the National SAR Program can be obtained at: http://www.nss.gc.ca/

The Office of the Judge Advocate General

Mandate

The Judge Advocate General (JAG) acts as legal adviser to the Governor General, the Minister of National Defence, the Department of National Defence and the Canadian Forces in matters relating to military law. The JAG has the superintendence of the administration of military justice, as embodied in the Code of Service Discipline, in the Canadian Forces.

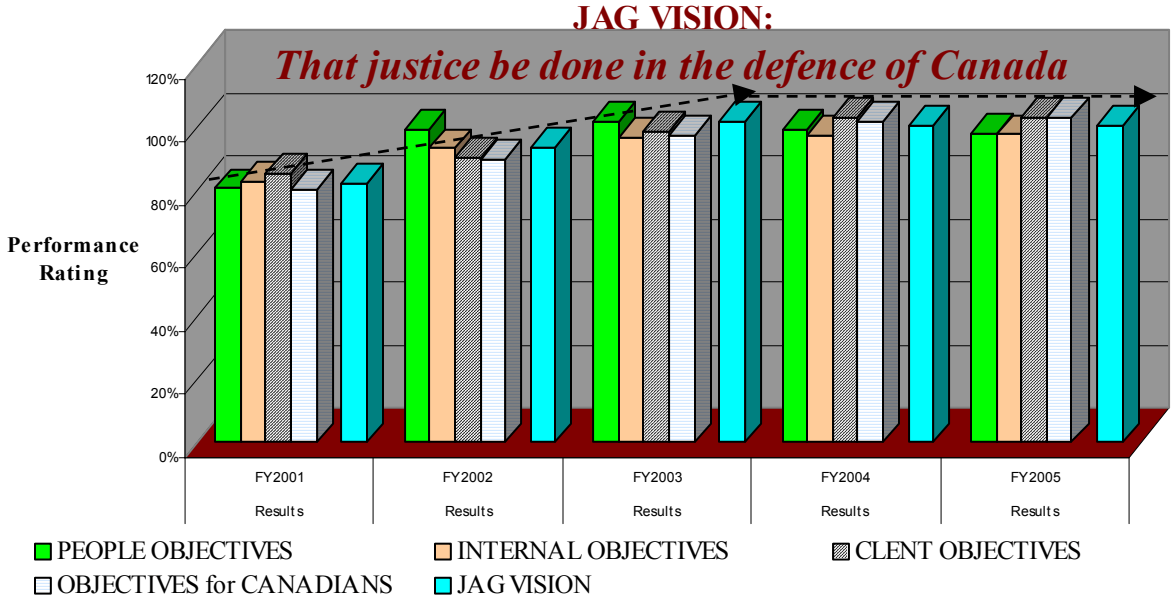
Risks and Challenges

The JAG experienced significant funding pressures in Information Management and Technology development that threatened to impact his ability to provide timely and thorough legal advice to clients. These pressures were relieved through an increased allocation and corporate funding of the JAG Comprehensive Information Management Project.

The major challenge for the JAG this past year was to achieve legal officer professional development training objectives in the face of high operational tempo and escalating client demands.

Performance

The performance of the JAG in producing value for Canadians is best measured by its progress in fulfilling the JAG Vision over time. The graph below shows the performance trend comparing strategic data for the past five fiscal years. A striking result is the exceptionally high performance in the Client Service Output and the Outcomes for Canadians strategic objectives (textured bars) over the past two years compared to previous years. The Office of the JAG has been performing at maximum output. High levels of legal officer deployment and peak client demands at home have slowed the advancement of People Objectives over the past two years.



Summary of Achievements

Overall, JAG delivered 6 % more high quality legal services in support of the Defence Mission than in the previous year. All 63 courts martial and 7 Appeals were completed in a timely manner.

JAG business increased by 5.5 % with a 99.34 % timeliness performance rating dealing with 23,115 requests for advice/services. The annual JAG client satisfaction survey supports this performance data, voicing complete satisfaction with the quality and timeliness of the legal advice provided and with the professionalism of JAG legal officers. These results reflect well on the CF, indicating both respect for the rule of law and confidence in CF legal advisors.

The following are examples of work accomplished. JAG lawyers participated in international and domestic working groups to safeguard Canadian interests and values and improve and promote public confidence in the Canadian Military Justice System.

- Through JAG's participation in the Australia, Canada, New Zealand, UK, U.S. (AUSCANZUKUS) legal working group, JAG lawyers completed work to protect Canadian cyber-security by resolving legal issues surrounding Computer Network Defence (CND);
- Through their work on the Proliferation Security Initiative (PSI), JAG lawyers continued to resolve the legal issues surrounding maritime proliferation security thus facilitating Canadian PSI participation and protecting Canadian interests;
- JAG legal officers continued to provide legal support to the ongoing review of the NORAD Contingency Plan, which will result in an updated operational document implementing the NORAD Agreement;
- Legal officers conducted 45 Summary Trial Certification Training courses, training 566 presiding officers and 207 NCMs and re-certifying another 553 presiding officers; and
- The JAG deployed 31 legal officers (25% of the effective strength) on 39 operational missions and exercises in fiscal year 2004–2005. This high level of activity was expected given the progressive build-up in the demand for operational legal services over the three previous years. In anticipation of continuing high operational tempo, JAG raised its operational readiness from 67% in fiscal year 2003–2004 to 78% Operations-trained legal officers in fiscal year 2004–2005 (103 of 132 legal officers).

Partners

To improve stakeholder awareness of the JAG's strategic progress in the area of military justice reform, the JAG has been conducting a focused information outreach program involving military justice stakeholders, the Military Justice Roundtable, the JAG Advisory Panel, the Canadian Bar Association, Commonwealth Armed Forces Lawyers, and the heads of federal, provincial and territorial prosecutors. To strengthen domestic and international inter-agency co-operation, the JAG continued to work closely with the Department of Justice, Foreign Affairs Canada, provincial and territorial governments, emergency-preparedness agencies, the National Committee on Humanitarian Law, the International Committee of the Red Cross, the International Criminal Tribunal for the Former Yugoslavia, the International Criminal Tribunal for Rwanda, key UN organizations and humanitarian relief organizations.

Conclusion

JAG delivered *Results for Canadians* by ensuring that military activities conformed to the rule of law, through continuing military justice reform and by improving the core competencies of Canadian Forces lawyers. Canadians can be assured that the Office of the JAG is committed to the ideal that justice will be done in the defence of Canada.

Resources

Human Resources

	Actual 2002–2003	Actual 2003–2004	Planned 2004–2005	Actual 2004–2005
Civilian FTEs	**92**	**93**	**90**	**87**

Source: Assistant Deputy Minister (Human Resources – Civilian)

Financial Resources

Financial resources by Fiscal Year				
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Vote 1 - Salary and Personnel [1]	4,312	4,686	4,725	4,339
Vote 1 - Operating and Maintenance [2]	2,718	3,042	3,489	2,896
Sub-total Vote 1	**$7,030**	**$ 7,728**	**8,214**	**$7,235**
Vote 5 – Capital	264	141	–	204
Grand total	**$7,294**	**$ 7,869**	**8,214**	**$7,439**

Sources: Office of the Judge Advocate General and Assistant Deputy Minister (Finance and Corporate Services)

Notes:

The Difference between Planned Spending and Actual Spending for 2004–2005 is due to the following:

1. Vote 1 – Salary and Personnel variance is due to staffing delays preventing full utilization of the allocation during 2004–2005.
2. Vote 1 – Operating & Maintenance variance is related to a decrease in travelling an training activities as a result of expenditure cuts imposed to accommodate the government-wide expenditure reductions.

More information on the Office of the Judge Advocate General can also be obtained at: http://www.dnd.ca/jag/main_e.asp

The Office of the Ombudsman for National Defence and the Canadian Forces

Mandate

Created on June 15, 1998, the Office of the Ombudsman for National Defence and the Canadian Forces investigates complaints and serves as an impartial third party on matters related to the Department of National Defence (DND) and the Canadian Forces (CF). Appointed through an order-in-council, the Ombudsman operates outside of the military chain of command and civilian management, reporting directly to the Minister of National Defence (MND).

Risks and Challenges

Operational challenges faced by the Ombudsman relate to ensuring the well being and fair treatment of members of the defence community during times of increased operational tempo, personnel and resource shortages as well as uncertainty related to the transformation of Canada's military and the implementation of its new defence policy.

Performance

During the fiscal year 2004–2005, the Ombudsman's Office received 1,793 new complaints. The Office resolved and closed 1,871 cases. The most common complaints received were in the area of benefits, followed by recruiting, release, medical issues, and complaints about the DND/CF grievance system.

Complaints were received from the following groups:

COMPLAINANTS BY CATEGORY			
	Fiscal Year		
	2002–2003	2003–2004	2004–2005
CF Regular Force Members	831	648	911
Former CF Members	298	230	314
CF Reserve Force Members	192	162	235
Family Members	99	64	101
Other	88	47	54
DND Employees	54	43	38
Applicants to the CF	36	51	107
Anonymous	24	3	10
Former DND Employees	12	6	10
Cadets	9	8	3
Non Public Fund Employees	3	3	10
Total	**1,646**	**1,265**	**1,793**

During fiscal year 2004–2005, the Ombudsman released the following special reports that contributed to positive change for members of the DND/CF community:

- On September 7, 2004 the Ombudsman released the Special Report *From Tents to Sheets: An Analysis of the CF Experience with Third Location Decompression after Deployment*. This report reviewed best practices related to pre-and post-deployment screening and the prevention of operational stress injuries. The report recommended 14

principles to be considered by operational commanders when evaluating the need for a decompression period at a third location, at the end of a deployment. The report was well received within DND/CF and externally; it was also given special consideration when the current CF policy on decompression was finalized.

- The Ombudsman released the Special Report *When a Soldier Falls: Reviewing the Response to MCpl Rick Wheeler's Accidental Death* on January 27, 2005. This case, which dealt with the DND/CF response to the death of MCpl Rick Wheeler during a training accident at CFB Suffield in 1992, was the largest and most complex investigation conducted by the Office to date. The report and its recommendations focussed on the CF's treatment of the Wheeler family and the flawed investigation of the death during a summary investigation and subsequent Board of Inquiry. In response to the report, the Chief of the Defence Staff directed a comprehensive review of the Board of Inquiry process, as well as a review of the CF's casualty administration process.

- The Ombudsman released the Special Report *Ministerial-directed Investigation: Review of Board of Inquiry Examining Serious Injury* on February 17, 2005. This investigation reviewed the results of a Board of Inquiry conducted after an officer cadet was seriously injured. The Ombudsman recommended that experts in the areas of emergency medicine, orthopaedics and sport medicine conduct an independent medical review of this case. The ADM (HR-Mil) endorsed the recommendation. The Ombudsman also made systemic recommendations to improve the training of those involved in boards of inquiry and to ensure Board of Inquiry members have access to qualified medical experts, when required.

- On March 18, 2005, the Ombudsman released the Special Report *Making Things Right: Unfair Treatment by CF Grievance System*. This report found that a former CF member, whose grievance was turned down by the Chief of the Defence Staff (CDS) and a former defence minister, had been unfairly denied a moving benefit. The benefits had, however, been awarded to other CF members after their grievances were considered by the CF Grievance Board and the CDS under the new grievance system. The Defence Minister agreed with the Ombudsman's recommendation to reconsider the former member's grievance and he was ultimately awarded the entitled benefit. At least two other cases were identified in which CF members had been denied the same benefit and they too were subsequently reimbursed.

During fiscal year 2004–2005, the Ombudsman also released the following discussion paper on his vision for the future of civilian oversight of the Canadian military:

- *Overhauling Oversight: Ombudsman White Paper* was released by the Ombudsman on March 30, 2005. Using the knowledge gained from his experience as the military ombudsman over the past seven years, the discussion paper outlines how civilian oversight of the military should be improved in order to make it more effective and efficient.

Technology Solutions

During fiscal year 2004–2005, the Office implemented a case scenario database and a secure online complaint form, which are both accessible through the Ombudsman's website. The database allows the public to search through summaries of cases resolved by the Office to get a sense of the types of complaints the Office has dealt with and how these were resolved. The Online Complaint Form allows complaints to be filed electronically in a secure format through the website. By fiscal year end, 579 electronic complaints had already been submitted through this new format.

The Office also improved its internal on-line access to complaint files for investigators working in the regions and improved security and confidentiality by migrating all complaint related information and investigator casework to its internal network system.

Resources

Human Resources

	ACTUAL 2002–2003	ACTUAL 2003–2004	PLANNED 2004–2005	ACTUAL 2004–2005
Civilian FTEs	**41**	**45**	**44**	**42.5***

Source: Assistant Deputy Minister (Human Resources – Civilian)
*does not include 1 FTE seconded into the Department and 3 FTE's seconded out of the Department

Financial Resources

Financial Resources by Fiscal Year				
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Planned Spending 2004–2005**	**Actual Spending 2004–2005**
Vote 1 – Salary and Personnel [1]	3,152	2,830	3,584	2,822
Vote 1 – Operating and Maintenance	1,769	1,923	2,490	2,241
Sub-total Vote 1	**$ 4,921**	**$4,753**	**$6,074**	**$5,063**
Vote 5 – Capital [2]	228	233	181	86
Grand total	**$ 5,149**	**$4,986**	**$6,255**	**$5,149**

Sources: Office of the Ombudsman for National Defence and the Canadian Forces and Assistant Deputy Minister (Finance and Corporate Services)

Notes: The difference between Planned Spending and Actual Spending for 2004–2005 is due to the following:

1. Vote 1 - Salary and Personnel: the variance is due to delays in staffing indeterminate positions. It is anticipated that the Office of the Ombudsman will be staffed to full complement during fiscal year 2005–2006.
2. Vote 5 - Capital: the variance in capital expenditures is related to a delayed Information Technology Infrastructure project.

More information on the DND/CF Ombudsman can be found at:
http://www.ombudsman.forces.gc.ca.

Section 6: Consolidated Reporting

Alternative Service Delivery

Details on ASD can be found at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/asd_e.asp

Procurement and Contracting

Performance information on procurement and contracting is available on the Internet at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/proc_e.asp

Sustainable Development Strategy

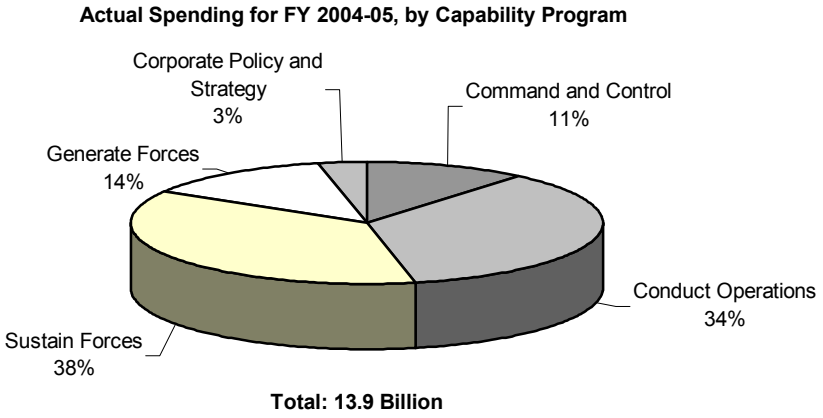
For additional information on the Sustainable Development Strategy, visit: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/sds_e.asp

Status of Fuel Storage Tanks on DND Land

For additional information on fuel storage tanks, visit: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/fuel_e.asp

Section 7: Financial and Departmental Overview

Departmental Resource Consumption



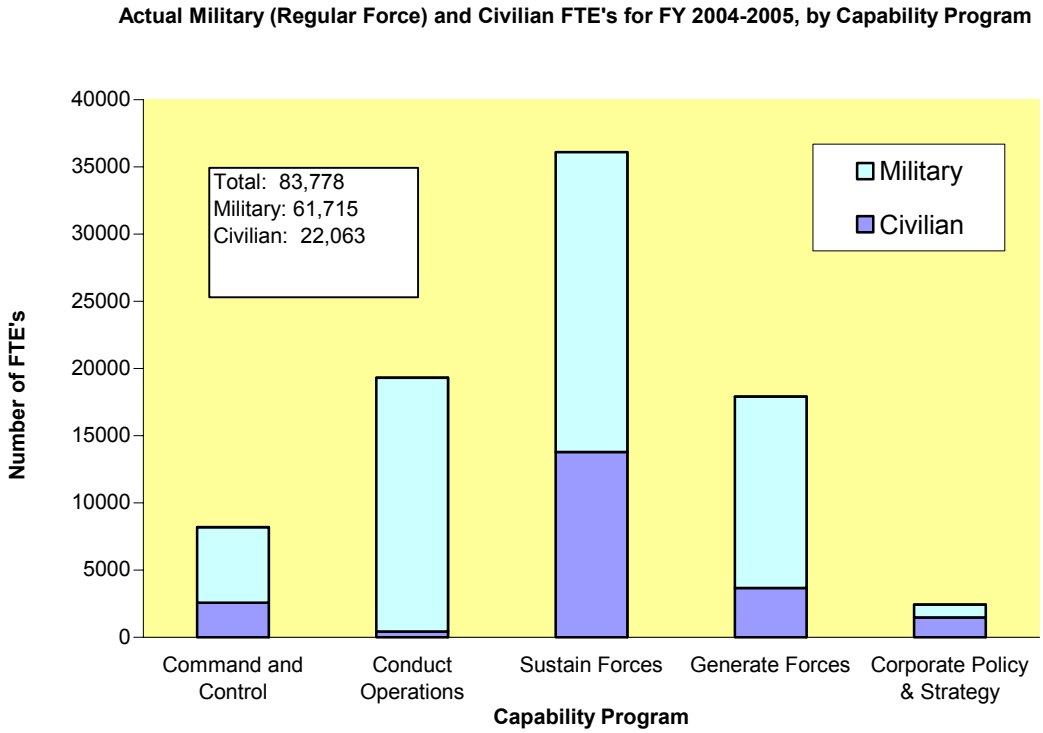


Table 1: Voted and Statutory Items

($ thousands)		2004–2005			
		Main Estimates	**Planned Spending**	**Total Authorities**	**Actual Spending**
1	Operating Expenditures	9,806,266	10,305,099	10,669,994	10,474,202
5	Capital Expenditures	2,158,297	2,422,177	2,193,350	2,174,734
10	Grants and Contributions	180,576	182,576	143,316	142,322
(S)	Minister of National Defence - Salary and motor car allowance	70	70	93	93
(S)	Pensions and annuities paid to civilians	100	100	90	90
(S)	Contributions to employee benefit plans-Members of the Military	899,717	907,520	878,164	878,164
(S)	Contributions to employee benefit plans	227,990	229,510	222,281	222,281
(S)	Payments under Part I-IV of the *Defence Services Pension Continuations Act* (R.S.,1970 c. D-3)	2,500	2,500	1,842	1,842
(S)	Payments under the *Supplementary Retirement Benefits Act*	12,000	12,000	8,091	8,091
(S)	Spending of proceeds from the disposal of Crown assets	0	0	25,312	20,654
(S)	Collection Agency Fees	–	–	44	44
	Total Department	**$13,287,516**	**$14,061,552**	**$14,142,578**	**$13,922,518**

This table explains the way Parliament votes resources to National Defence in a standardized fashion. It also reflects the changes made throughout the fiscal year to the funding levels via Supplementary Estimates, allotments from the Treasury Board and reallocations resulting from changing priorities and operational pressures.

Budget 2004 provided for $297.5 million in additional funding to DND. $245.0 million was to fund operations in Afghanistan and Haiti, $29.0 million was to implement National Security Plan initiatives and $23.5 million was for the Communications Security Establishment. This announcement was made too late to be incorporated into the Main Estimates but it did form part of the Planned spending. The $297.5 million was provided through the Supplementary Estimates, thus increasing the Total Spending Authority. Also included in the Planned spending increase is $418 million received through the Supplementary Estimates as a result of the Department's operating budget carry forward from 2003–2004 to 2004–2005. Spending authority was also increased by $215 million to cover the costs of the military pay and allowances increase. The Department's spending authority was reduced by $144 million through Supplementary Estimates to cover the Department's share of the Government's $1 billion expenditure reduction plan.

Source: Assistant Deputy Minister – Finance and Corporate Services

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

Table 2: Departmental Planned versus Actual Spending by Capability Program 2004–2005

($ thousands)		Budgetary						Plus: Non-Budgetary	
Capability Program		Operating	Capital	Grants and Contributions	Total Gross Expenditures	Less: Respendable Revenues	Total Net Budgetary Expenditures	Loans, Investments and Advances	Total
Command and Control	-Main Estimates	1,006,242	455,712	0	1,461,954	3,893	1,458,061		1,458,061
	-Planned Spending	1,034,992	500,550	0	1,535,542	3,893	1,531,649	2,000	1,533,649
	-Total Authorities	1,201,142	430,565	0	1,631,707	3,893	1,627,814	8,773	1,636,587
	-Actual Spending	1,205,993	426,248	0	1,632,241	2,722	1,629,519	(610)	1,628,909
Conduct Operations	-Main Estimates	3,401,127	831,552	2,837	4,235,516	1,830	4,233,686		4,233,686
	-Planned Spending	3,709,967	980,842	2,837	4,693,646	1,830	4,691,816	5,800	4,697,616
	-Total Authorities	3,596,617	985,575	5,563	4,587,755	1,830	4,585,925	26,319	4,612,244
	-Actual Spending	3,526,754	971,019	5,563	4,503,335	5,814	4,497,521	(1,768)	4,495,753
Sustain Forces	-Main Estimates	4,687,248	669,859	20,050	5,377,157	165,506	5,211,651		5,211,651
	-Planned Spending	4,799,571	721,539	20,050	5,541,160	165,506	5,375,654	7,913	5,383,567
	-Total Authorities	5,051,715	531,123	11,921	5,594,759	163,130	5,431,629	49,860	5,481,489
	-Actual Spending	4,917,436	508,670	11,233	5,437,340	163,174	5,274,166	(2,772)	5,271,394
Generate Forces	-Main Estimates	2,004,068	158,884	3,147	2,166,099	244,539	1,921,560		1,921,560
	-Planned Spending	2,060,631	173,691	3,147	2,237,469	244,539	1,992,930	3,400	1,996,330
	-Total Authorities	1,999,611	238,938	4,247	2,242,796	244,539	1,998,257	14,037	2,012,294
	-Actual Spending	1,994,357	236,611	4,188	2,235,155	230,349	2,004,806	(1,037)	2,003,769
Corporate Policy & Strategy	-Main Estimates	257,019	42,290	169,142	468,451	5,893	462,558		462,558
	-Planned Spending	258,759	45,495	171,142	475,396	5,893	469,503	610	470,113
	-Total Authorities	351,332	32,462	131,609	515,402	16,449	498,953	2,632	501,585
	-Actual Spending	363,266	32,186	131,362	526,814	10,309	516,505	(197)	516,308
Totals	-Main Estimates	11,355,704	2,158,297	195,176	13,709,177	421,661	13,287,516		13,287,516
	-Planned Spending	11,863,920	2,422,117	197,176	14,483,213	421,661	14,061,552	19,723	14,081,275
	-Total Authorities	12,200,417	2,218,662	153,340	14,572,419	429,841	14,142,578	101,621	14,244,199
	-Actual Spending	**12,007,806**	**2,174,734**	**152,346**	**14,334,886**	**412,368**	**13,922,518**	**(6,383)**	**13,916,135**

Source: Assistant Deputy Minister (Finance and Corporate Services)
*Due to rounding, figures may not add to totals shown.

Note: The distribution of the Operating dollars across the Capability Programs is based on a model. The variance between Planned Spending and Actual Spending for Sustain Forces is largely due to the use of updated cost factors that were developed during the year and implemented at year-end in time for the calculation of Actual Spending figures.
The variance between the planned spending and the actual spending in Conduct Operations can be further explained by the lower than anticipated costs for deployed operations in Afghanistan, Haiti, and Sri Lanka.

Table 3: Historical Comparison of Total Planned Spending to Actual by Capability Program

Financial Resources ($ thousands)				2004–2005			
Capability Program	**Actual [1] 2002–2003**	**Actual [1] 2003–2004**	**Actual [1 & 2] 2003–2004 without OCIPEP**	**Main Estimates**	**Planned Spending**	**Total Authorities**	**Actual [1] Spending**
Command and Control	1,445,081	1,441,067	1,441,067	1,458,061	1,531,649	1,627,814	1,629,519
Conduct Operations	3,895,475	4,756,637	4,639,965	4,233,686	4,691,816	4,585,925	4,497,521
Sustain Forces	4,833,579	4,796,422	4,796,422	5,211,651	5,375,654	5,431,629	5,274,166
Generate Forces	1,740,197	1,707,069	1,707,069	1,921,560	1,992,930	1,998,257	2,004,806
Corporate Policy & Strategy	501,005	484,420	437,433	462,558	469,503	498,953	516,505
Total	**$12,415,337**	**$13,185,615**	**$13,021,955**	**$13,287,516**	**$14,061,552**	**$14,142,578**	**$13,922,518**
Total	$12,415,337	$13,185,615	$13,021,955	$13,287,516	$14,061,552	$14,142,578	$13,922,518
Less: Non-Respendable Revenue	9,371	16,538	16,538	N/A	10,723	10,723	10,408
Plus: Cost of Services Received Without Charge	455,779	486,669	483,885	N/A	495,167	535,392	537,012
Net Cost of Department*	**$12,861,745**	**$13,655,746**	**$13,489,302**	**$13,287,516**	**$14,545,996**	**$14,667,247**	**$14,449,122**

Source: Assistant Deputy Minister (Finance and Corporate Services)
*Due to rounding, figures may not add up to totals shown.

Notes:

1. Includes the spending of proceeds from the sale of surplus crown assets.
2. Actual spending in 2003–2004 without the Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) which was transferred to the Department of Public Security and Emergency Preparedness Canada.

Table 3a: Historical Comparison of Human Resources

Full Time Equivalents	Actual 2002–2003	Actual 2003–2004	Actual Without OCIPEP 2003–2004	Planned 2004–2005	Actual 2004–2005
Military	**61,595**	**62,012**	**62,012**	**62,250**	**61,715**
Civilian	**21,036**	**22,159**	**21,940**	**21,122**	**22,063**
Total	**82,631**	**84,171**	**83,952**	**83,372**	**83,778**

Source: Assistant Deputy Minister (Human Resources – Military) and Assistant Deputy Minister (Human Resources – Civilian)

Table 4: Revenues by Capability Program

			2004–2005			
($ thousands)	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Main Estimates**	**Planned Revenues**	**Total Authorities**	**Actual Spending**
Respendable Revenues						
Command and Control	4,939	347	3,893	3,893	3,893	2,722
Conduct Operations	3,244	1,517	1,830	1,830	1,830	5,814
Sustain Forces	205,646	179,927	165,506	165,506	163,130	163,174
Generate Forces	265,495	245,812	244,539	244,539	244,539	230,349
Corporate Policy & Strategy	4,891	5,852	5,893	5,893	16,449	10,309
Total Respendable Revenues	**$484,215**	**$433,455**	**$421,661**	**$421,661**	**$429,841**	**$412,368**
Non-Respendable Revenues						
Corporate Policy & Strategy	9,371	16,500	N/A	10,723	10,723	10,408
Total Non-Respendable Revenues	**9,371**	**16,500**	**N/A**	**10,723**	**10,723**	**10,408**
Total Revenues*	**$493,586**	**$449,955**	**$421,661**	**$432,384**	**$ 440,564**	**$422,776**

Source: Assistant Deputy Minister (Finance and Corporate Services)
*Due to rounding, figures may not add up to totals shown
Note: In fiscal year 2003–2004 there was no impact on revenues following the Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) transfer to the Department of Public Security and Emergency Preparedness (PSEP).

Table 5: Net Cost of the Department

($ thousands)	**2004–2005**
Total Actual Spending	**$13,922,518**
Plus: Services Received without Charge	
Accommodation provided by Public Works and Government Services Canada (PWGSC)	60,156
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	463,664
Workers' compensation coverage provided by Social Development Canada	10,406
Salary and associated expenditures of legal services provided by Justice Canada	2,786
Subtotal	**$14,459,530**
Less: Non-respendable Revenue	**10,408**
2004–2005 Net cost of Department*	**$14,449,122**

Source: Assistant Deputy Minister (Finance and Corporate Services)
*Due to rounding, figures may not add up to totals shown.

Table 6: Transfer Payments by Capability Program

($ thousands)				2004–2005			
Capability Programs	**Actual Spending 2002–2003**	**Actual Spending 2003–2004**	**Actual Spending [1] 2003–2004 without OCIPEP**	**Main Estimates**	**Planned Spending**	**Total Authorities**	**Actual Spending [2]**
GRANTS							
Command and Control	–	–	–	–	–	–	–
Conduct Operations	–	–	–	–	–	–	–
Sustain Forces	88	88	88	100	100	90	90
Generate Forces	1,147	1,147	1,147	1,147	1,147	1,147	1,144
Corporate Policy & Strategy	3,101	2,868	2,828	2,952	2,952	3,267	3,179
Total Grants	**$4,336**	**$4,103**	**$4,063**	**$4,199**	**$ 4,199**	**$ 4,504**	**$4,412**
CONTRIBUTIONS							
Command and Control	–	–	–	–	–	–	–
Conduct Operations	7,962	120,667	3,995	2,837	2,837	5,563	5,563
Sustain Forces	13,827	10,908	10,908	19,950	19,950	11,831	11,143
Generate Forces	5,000	5,000	5,000	2,000	2,000	3,100	3,044
Corporate Policy & Strategy	140,356	149,541	140,280	166,190	168,190	128,342	128,184
Total Contributions	**$167,144**	**$286,116**	**$160,183**	**$190,977**	**$192,977**	**$148,836**	**$147,933**
Total Transfer Payments*	**$171,480**	**$290,219**	**$164,246**	**$195,176**	**$197,176**	**$153,340**	**$152,346**

Source: Assistant Deputy Minister (Finance and Corporate Services)
*Due to rounding, figures may not add up to totals shown

Notes:

1. Actual spending in 2003–2004 without the Office of Critical Infrastructure Protection and Emergency Preparedness (OCIPEP) which was transferred to the Department of Public Security and Emergency Preparedness Canada.
2. Actual spending was lower than planned in Corporate Policy and Strategy due to the lower than expected contributions to NATO and to provinces and municipalities for capital assistance projects.

Detailed information about transfer payments is available at:
http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/transPay_e.asp

Table 7: Loans, Investments and Advances (Non-Budgetary)

($ thousands)	Actual Spending 2002–2003	Actual Spending 2003–2004	2004–2005			
			Main Estimates	Planned Spending	Total Authorities	Actual Spending
Command and Control						
Imprest Accounts, Standing Advances and Authorized Loans[1]	(407)	260	–	2,000	8,773	(610)
Conduct Operations						
Imprest Accounts, Standing Advances and Authorized Loans	(1,222)	830	–	5,800	26,319	(1,768)
Sustain Forces						
Imprest Accounts, Standing Advances and Authorized Loans	(1,629)	1,012	–	8,200	35,969	(2,500)
Canadian Forces Housing Projects[2]	(888)	83	–	(287)	13,891	(272)
Generate Forces						
Imprest Accounts, Standing Advances and Authorized Loans	(692)	415	–	3,400	14,037	(1,037)
Corporate Policy and Strategy						
Imprest Accounts, Standing Advances and Authorized Loans	(122)	78	–	600	2,632	(183)
NATO Damage Claims[3]	(416)	7	–	10	0	(14)
Total	**(5,376)**	**2,686**	**–**	**19,723**	**101,621**	**(6,383)**

Source: Assistant Deputy Minister (Finance and Corporate Services)

Notes:

1. This account was established for the purpose of financing: (a) public funds imprest and public funds advance accounts; (b) standing advances; (c) authorized loans and advances to employees posted abroad; and (d) authorized recoverable advances to establish military messes and canteens. The total amount authorized to be outstanding at any time is $120,000,000 as last amended by National Defence Vote L11b, *Appropriation Act* No. 4, 2001–2002.

2. Advances have been made to the Canada Mortgage and Housing Corporation, in respect of loans arranged by the Corporation for housing projects for occupancy by members of the Canadian Forces.

3. Article VIII of the NATO Status of Forces Agreement signed April 4, 1949, as amended, deals with claims for damages to third parties arising from accidents in which a member of a visiting force involved. This account is charged with the amount recoverable from other states, for claims for damages amount recoverable from other states, for claims for damages that took place in Canada, and is credited with recoveries.

Table 8: Contingent Liabilities

Contingent Liabilities ($ thousands)	**March 31, 2004**	**March 31, 2005**
Contaminated Sites [1]	$701,494	$1,616,278
Claims, Pending and Threatened Litigation		
Litigations [2]	$3,849	$4,468
Non-litigations	$3,494	$17,786
Total	**$708,837**	**$1,638,532**

Source: Assistant Deputy Minister (Finance and Corporate Services)

Notes:

1. In fiscal year 2004–2005, accounting for environmental liabilities in respect of contaminated sites was devolved by TBS to departments. Liabilities are accrued in the accounts of DND to record the estimated costs related to the management and remediation of contaminated sites where the department is obligated or likely to be obligated to incur such costs. The above contingent liabilities are also reported by DND for estimated additional clean-up costs that are not accrued as these are not considered likely to be incurred at this time.

2. The amount of $3.8 million as of March 31, 2004 was previously reported as $28.8 million. A contingent liability in the amount of $25 million became an actual liability after the accounting date and was subsequently excluded in accordance with instructions from the Receiver General for Canada**.**

Planned Full-Time Equivalents

Table 9: Civilian FTEs by Capability Program

Capability Programs	Actual 2002–2003	Actual 2003–2004	Actual Without OCIPEP 2003–2004	Planned 2004–2005	Actual 2004–2005
Command and Control	2,281	2,583	2,583	2,530	2,889
Conduct Operations	399	421	421	404	440
Sustain Forces	13,618	13,790	13,790	13,245	13,785
Generate Forces	3,453	3,672	3,672	3,527	3,646
Corporate Policy & Strategy	1,285	1,693	1,474	1,416	1,303
Total	**21,036**	**22,159**	**21,940**	**21,122**	**22,063**

Source: Assistant Deputy Minister (Human Resources –Civilian)
Note: * As a result of the Government's December 12, 2003 decision, OCIPEP transferred 219 FTEs to Public Safety and Emergency Preparedness Canada.

Table 10: Military (Regular Force) FTEs

Capability Programs	Actual 2002–2003	Actual 2003–2004	Actual Without OCIPEP 2003–2004	Planned 2004–2005	Actual 2004–2005
Command and Control	5,616	5,616	5,616	6,072	5,763
Conduct Operations	18,736	18,898	18,898	19,910	18,550
Sustain Forces	22,204	22,316	22,316	21,854	23,184
Generate Forces	14,009	14,223	14,223	13,446	13,265
Corporate Policy & Strategy	1,030	959	959	948	953
Total	**61,595**	**62,012**	**62,012**	**62,250**	**61,715**

Source: Assistant Deputy Minister (Human Resources – Military)

Table 11: Combined Civilian and Military (Regular Force) FTEs

Capability Programs	Actual 2002–2003	Actual * 2003–2004	Actual Without OCIPEP 2003–2004	Planned 2004–2005	Actual 2004–2005
Command and Control	7,897	8,199	8,199	8,602	8,652
Conduct Operations	19,135	19,319	19,319	20,314	18,990
Sustain Forces	35,822	36,106	36,106	35,099	36,969
Generate Forces	17,462	17,895	17,895	16,993	16,911
Corporate Policy & Strategy	2,315	2,652	2,433	2,364	2,256
Total	**82,631**	**84,171**	**83,952**	**83,372**	**83,778**

Source: Assistant Deputy Minister (Human Resources–Civilian) and Assistant Deputy Minister (Human Resources–Military)
* Actual without OCIPEP

Table 12: Summary of Civilian FTEs by Occupational Group

Capability Program	2002–2003 Actual	2003–2004			2004–2005 Planned	2004–2005 Actual
		Actual	Transferred*	Actual without OCIPEP		
OIC Appointments	3	3	—	3	3	4
Executive	115	121	14	107	103	102
Scientific and Professional	1,669	1,852	21	1,831	1,758	1,870
Administrative and Foreign Service	4,006	4,777	155	4,622	4,440	4,948
Technical	2,025	2,119	6	2,113	2,029	2,171
Administrative Support other than Clerical	743	615	1	614	589	630
Clerical and Regulatory	3,399	3,489	22	3,467	3,330	3,256
Operational other than General Labour and General Services	2,252	2,276	—	2,276	2,186	2,290
General Labour and Trades	3,071	3,073	—	3,073	2,952	3,032
General Services	2,347	2,357	—	2,357	2,264	2,188
Other (Students, Minister's Staff, Unknown)	291	237	—	237	226	148
Communications Security Establishment (CSE) staff – (executives and non-executives)	1,115	1,240	—	1,240	1,240	1,424
Total	**21,036**	**22,159**	**219**	**21,940**	**21,122**	**22,063**

Source: Assistant Deputy Minister (Human Resources –Civilian)

* As a result of the Government's December 12, 2003 decision, OCIPEP FTEs were transferred to Public Safety and Emergency Preparedness Canada.

Table 13: Summary of Military (Regular Force) FTEs by Rank

	ACTUAL 2002–2003	ACTUAL 2003–2004	PLANNED 2004–2005	ACTUAL 2004–2005
Officers				
General, Lieutenant-General; Admiral, Vice-Admiral*	12	11	9	11
Major-General; Rear-Admiral	20	20	18	23
Brigadier-General; Commodore	44	42	40	38
Colonel; Captain (Navy)	300	313	281	325
Lieutenant-Colonel; Commander	1,052	1,061	1,007	1,090
Major; Lieutenant-Commander	3,152	3,185	3,138	3,192
Captain; Lieutenant (Navy)	5,843	5,788	5,800	5,840
Lieutenant, Second-Lieutenant; Sub-Lieutenant, Acting Sub-Lieutenant	1,627	1,829	1,519	1,952
Officer Cadet; Naval Cadet	1,808	1,687	1,861	1,749
Sub-total (Officers)	**13,858**	**13,936**	**13,673**	**14,220**
Non-Commissioned Members (NCMs)				
Chief Warrant Officer; Chief Petty Officer 1st Class	644	668	593	668
Master Warrant Officer; Chief Petty Officer 2nd Class	1,769	1,774	1,634	1,803
Warrant Officer; Petty Officer 1st Class	3,640	3,677	3,608	3,682
Sergeant; Petty Officer 2nd Class)	6,717	6,758	6,657	6,760
Master Corporal, Corporal; Master Seaman, Leading Seaman	26,058	25,319	23,584	24,632
Private, Private (Recruit); Able Seaman, Ordinary Seaman	8,909	9,880	12,501	9,950
Sub-total (NCMs)	**47,737**	**48,076**	**48,577**	**47,495**
Total	**61,595**	**62,012**	**62,250**	**61,715**

Source: Assistant Deputy Minister (Human Resources – Military)

* Several general and flag officers are employed in positions outside the CF, such as UN and NATO command positions, and positions in other federal government departments and agencies.

Departmental Capital Spending

Table 14: Details on Project Spending — Capital Equipment Program

Projects listed in Table 14 have been identified as either: (1) projects in which the estimated expenditure exceeds the approval authority granted to DND by the Treasury Board ($30 million *with substantive cost estimates*), or (2) projects in which the risk is particularly high, regardless of the estimated amounts. All major capital equipment projects fall under the Generate Forces capability program, but to give a better insight into what they generate, the list of projects has been divided according to the capability program supported.

DSP #	Description	Project Phase	Estimated Total Cost 2004–2005	Current Estimated Total Cost	Previous Expenditures to March 31, 2004	Planned Spending 2004–2005	Actual Expenditures 2004–2005	Variance (Planned vs Actuals 2004–2005)	Capitalized Expenditures 2004–2005
180	CF-18 Multi-purpose Display Group Project	Implementation	98,760	98,759	52,351	7,403	8,805	(1,402)	8,811
273	CF-18 Advanced Multi-role Infrared Sensor	Implementation	186,060	186,060	–	90	84	6	84
276	Intelligence, Surveillance, Target, Acquisition & Reconnaisance	Definition	46,444	46,444	5,395	19,271	13,100	6,171	18,529
295	Aurora Communication Management System Replacement	Implementation	89,745	89,746	36,339	20,677	15,749	4,928	14,142
317	Aurora Electro-optical System Replacement	Implementation	46,924	46,924	33,544	7,498	5,255	2,243	3,526
423	Aurora - Electronic Support Measures Replacements	Implementation	177,408	176,972	50,475	32,741	12,646	20,095	12,646
428	Aurora - Imaging Radar Acquisition	Implementation	255,120	254,465	20,358	56,874	44,339	12,535	44,349
747	Tactical Unmanned Aerial Vehicles	Close Out	–	38,316	32,176	–	4,124	(4,124)	4,124
1574	Tactical Command, Control & Communication System	Close Out	1,927,700	1,928,590	1,854,892	48,833	28,698	20,135	24,370
1656	Land Forces Command System	Implementation	178,314	178,386	167,591	8,723	6,640	2,083	3,725
2066	EW - Land TAC EW Improvement (LTEWI)	Close Out	75,502	74,889	74,889	613	–	613	–

DSP #	Description	Project Phase	Estimated Total Cost 2004–2005	Current Estimated Total Cost	Previous Expenditures to March 31, 2004	Planned Spending 2004–2005	Actual Expenditures 2004–2005	Variance (Planned vs Actuals 2004–2005)	Capitalized Expenditures 2004–2005
2370	CC-130 Avionics Upgrade	Close Out	96,176	96,905	90,422	5,458	6,483	(1,025)	6,483
2371	Advanced Navigation and Precision Approach Phase II	Implementation	98,563	97,830	44,652	15,540	4,478	11,062	3,004
2469	Canadian Forces Command System	Close Out	51,713	53,949	42,718	8,995	8,847	148	13,309
2526	Region / Sector Air Operations Centre	Implementation	134,668	134,730	82,225	31,132	23,063	8,069	5,992
2660	8 Air Communication & Control System	Close Out	46,528	45,328	44,509	2,019	761	1,258	618
2683	Position Determination & Navigation System	Close Out	73,371	73,233	68,928	4,443	3,740	703	3,740
2783	Identification Friend or Foe Mode S/5	Implementation	38,176	38,176	–	4,604	33	4,571	33
2803	Protected Military Satellite Communication	Implementation	551,665	551,972	154,262	82,384	72,582	9,802	37,097
	COMMAND AND CONTROL SUBTOTAL		**4,172,837**	**4,211,674**	**2,855,726**	**357,298**	**259,427**	**97,871**	**204,582**
58	Wheeled Light Armoured Vehicle Life Extension	Implementation	232,700	215,265	51,339	12,616	8,585	4,031	8,575
86	Operational Flight Program	Implementation	111,519	111,520	8,312	19,290	13,131	6,159	13,131
583	CF-18 - Engineering Change Proposal 583	Implementation	1,009,328	1,432,500	665,286	80,691	77,814	2,877	63,953
629	Monocular Night Vision Goggles & Aim Laser	Close Out	35,893	20,127	–	22,751	13,689	9,062	–
731	Mobile Gun System (B)	Definition	157,652	157,652	–	5,519	2,287	3,232	2,215
1399	North American Air Defence Modernization	Close Out	1,054,753	1,054,876	1,054,227	526	250	276	8
1487	Canadian Towed Array Sonar System	Close Out	121,019	121,008	120,620	399	18	381	18

DSP #	Description	Project Phase	Estimated Total Cost 2004–2005	Current Estimated Total Cost	Previous Expenditures to March 31, 2004	Planned Spending 2004–2005	Actual Expenditures 2004–2005	Variance (Planned vs Actuals 2004–2005)	Capitalized Expenditures 2004–2005
1495	Canadian Patrol Frigate	Close Out	8,957,300	8,915,200	8,898,717	10,000	7,383	2,617	10,362
1686	CF-18 - Advanced Air To Air Weapon - Short Range	Implementation	165,435	183,813	18,378	3,875	2,302	1,573	–
1700	DDH-280 Tribal Class Update & Modernization Project	Close Out	1,382,548	1,382,200	1,380,775	900	45	855	7
2211	CC-130-Hercules Tactical Transport	Close Out	350,214	350,755	350,088	126	128	(2)	126
2320	Military Automated Air Traffic System	Implementation	169,208	169,162	121,304	25,370	16,950	8,420	15,990
2349	Light Utility Vehicle Wheeled	Implementation	225,669	306,833	49,830	144,411	132,089	12,322	129,054
2517	CF Utility Tactical Transport Helicopters	Implementation	1,096,535	1,093,098	1,059,417	10,346	4,750	5,596	4,727
2549	Submarine Capability Life Extension	Implementation	868,422	857,800	555,631	70,810	81,069	(10,259)	14,159
2618	CC-130-Hercules Replacement	Close Out	107,756	107,756	106,776	980	980	–	980
2619	Air Combat Manoeuvering Instrumentation System	Implementation	33,290	33,041	28,969	3,084	2,972	112	1,858
2622	Active Phased Array Radar	Close Out	52,734	52,717	50,560	2,174	2,156	18	5
2625	Vehicles - Lynx Replacement Project	Close Out	880,381	877,496	869,049	11,783	7,292	4,491	3,976
2637	Armoured Personnel Carriers	Implementation	2,219,890	2,355,707	1,821,206	136,079	70,519	65,560	69,974
2640	Evolved Sea Sparrow Missiles	Implementation	514,200	513,900	253,560	114,043	128,540	(14,497)	–
2650	Leopard Thermal Sight	Close Out	132,698	132,602	132,498	200	104	96	100
2657	CC-150 Strategic Air-to-Air Refuelling	Implementation	107,676	106,016	34,764	65,040	49,706	15,334	49,292
2664	Advance Electro Optic Sensor	Implementation	37,667	241,412	32,020	5,647	4,163	1,484	–

DSP #	Description	Project Phase	Estimated Total Cost 2004–2005	Current Estimated Total Cost	Previous Expenditures to March 31, 2004	Planned Spending 2004–2005	Actual Expenditures 2004–2005	Variance (Planned vs Actuals 2004–2005)	Capitalized Expenditures 2004–2005
2678	Canadian Search and Rescue Helicopter	Implementation	774,540	779,338	747,204	23,482	14,445	9,037	7,338
2680	Maritime Helicopter Project	Implementation	104,955	3,160,349	48,793	13,464	97,561	(84,097)	95,142
2684	Improved Landmine Detection Capability	Close Out	32,526	32,526	30,297	751	675	76	403
2731	Armoured Personnel Carriers Life Extension	Implementation	328,479	339,790	264,575	46,945	30,115	16,830	28,497
2754	CF-18 Advanced Air-to-Air Weapon - Medium Range	Implementation	138,489	138,489	10,068	23,885	22,054	1,831	1,430
	CONDUCT OPERATIONS SUBTOTAL		**21,403,476**	**25,242,948**	**18,764,263**	**855,187**	**791,772**	**63,415**	**521,320**
439	Allied Vaccine Development Project	Implementation	35,031	33,759	16,944	6,836	959	5,877	–
451	Primrose Lake Evaluation Range TSPI System	Implementation	63,150	57,369	1	5,106	722	4,384	730
480	Integrated Clothing Ensemble	Close Out	36,728	32,867	6,256	21,906	21,818	88	–
1947	Canadian Forces Supply System Upgrade	Close Out	304,063	303,900	300,696	3,405	1,545	1,860	1,042
2272	Materiel Acquisition And Support Information System	Implementation	179,928	179,770	152,954	20,979	10,999	9,980	10,991
2400	Defence Integrated Human Resource System	Implementation	98,303	91,371	55,820	20,767	7,765	13,002	7,765
2475	Defence Message Handling System	Implementation	138,421	136,651	99,442	25,867	13,260	12,607	13,253
2535	Classified Electronic Key Management System	Close Out	34,684	37,372	37,334	1,290	36	1,254	36
2536	Role Three Health Support	Implementation	40,434	40,434	29,295	8,171	8,471	(300)	5,003

DSP #	Description	Project Phase	Estimated Total Cost 2004–2005	Current Estimated Total Cost	Previous Expenditures to March 31, 2004	Planned Spending 2004–2005	Actual Expenditures 2004–2005	Variance (Planned vs Actuals 2004–2005)	Capitalized Expenditures 2004–2005
2573	Maritime Environmental Protection Project	Implementation	55,507	42,563	36,219	4,227	2,732	1,495	–
2796	YAG 300 Training Vessel Replacement	Implementation	70,311	70,311	102	5,807	2,577	3,230	2,577
2800	Canadian Forces Health Information System	Implementation	–	86,356	19,286	–	9,397	(9,397)	9,397
XXXX	Clothe The Soldier (Omnibus Project)	Implementation	274,506	287,038	155,406	39,400	24,582	14,818	–
	SUSTAIN FORCES SUBTOTAL		**1,331,066**	**1,399,761**	**909,755**	**163,761**	**104,863**	**58,898**	**50,794**
113	Advanced Distributed Combat Training System	Implementation	187,741	187,725	2,366	113,109	98,890	14,219	93,955
410	Aurora - Flight Deck Simulator	Implementation	39,885	39,885	20,735	14,160	6,687	7,473	3,888
536	Aurora - Operator Mission Simulator	Implementation	44,633	44,633	6,273	9,557	1,363	8,194	1,363
2058	Weapons Effect Simulator	Implementation	113,712	121,143	27,585	26,035	17,219	8,816	17,219
2237	Naval Combat Operator Trainer	Close Out	39,585	39,585	39,410	175	175	–	175
	GENERATE FORCES SUBTOTAL		**425,556**	**432,971**	**96,369**	**163,036**	**124,334**	**38,702**	**116,600**
	TOTAL PROGRAM		**27,332,935**	**31,287,354**	**22,626,113**	**1,539,282**	**1,280,396**	**258,886**	**893,296**

Source: Assistant Deputy Minister – Materiel

Table 15: Capital Construction Program – Spending over $60 million

Projects listed in Table 15 have been identified as either: (1) projects in which the estimated expenditure exceeds the approval authority granted to DND by the Treasury Board ($60 million), or (2) projects in which the risk is particularly high, regardless of the estimated amounts. All major capital construction projects fall under the Sustain Forces capability program. For fiscal year 2004–2005, planned spending on major capital construction projects represented 5.9 percent of total planned capital spending on construction.

Project number	Project Name	Total Project Amount	Past year Expenditures	Planned Spending 2004–2005	Actual Spending 2004–2005	Planned Future 5-year Spending
	British Columbia					
00000221	Replace "B" Jetty (PPA) (PD)	70,950 (I)	480 (I)	0	0	70,470 (I)
00000347	Replace "A" Jetty (PPA) (PD)	90,250 (I)	0	0	0	90,250 (I)
00004360	FMF Cape Breton (EPA) (PI)	136,471 (S)	46,469 (S)	18,100 (S)	32,267 (S)	24,100 (I)
00004451	Colwood Refueling Facility (EPA) (PI)	69,004 (S)	52,705 (S)	1,070 (S)	2,929 (S)	13,370 (I)
	New Brunswick					
00000344	RTA Sedimentation Remediation (Gagetown) (PPA) (PD)	140,962 (I)	1,649 (I)	6,290 (I)	631 (I)	107,620 (I)
	Québec					
00000683	Infrastructure Modernization (DRDC Valcartier) (PPA) (PD)	100,000 (I)	0	0	0	100,000 (I)
	Total	**$607,637**	**$104,232**	**$25,460**	**$32,898**	**$405,810**

Source: Assistant Deputy Minister (Infrastructure and Environment)

Legend: I = Indicative Estimate S = Substantive Estimate
PPA = Preliminary Project Approval EPA = Effective Project Approval
PD = Project Definition PI = Project Implementation

For additional information on Federal Real Property and *Federal Immovables Act* visit: http://laws.justice.gc.ca/en/F-8.4/index.html

Table 16: Status Report on Major Crown Projects

Status report on Major Crown Projects (Equipment) can be found at:
http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/j-mcp_e.asp

Section 8: Additional Information

Appendix A: Recognizing Individual and Team Achievements

Defence is committed to its employees and recognizes the tremendous efforts made by individuals and teams in the accomplishment of their goals and their courage and commitment in the line of duty. A complete listing of Honours, Awards and External Awards Recipients can be found at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/recAndAch_e.asp

Appendix B: Key Partners

DND and the CF work with many partners in Canada and abroad that help support the Defence mission, programs and activities. The broad scope of the Defence mandate is reflected in the complexity and diversity of its partners and stakeholders. To view the comprehensive list of Defence partners and stakeholders, visit: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/keyPar_e.asp

Appendix C: Legislation and Regulations Administered

The Minister of National Defence is responsible to Parliament for many statutes, and is assigned relevant responsibilities in the administration of many laws and regulations. The comprehensive list is available at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/legReg_e.asp

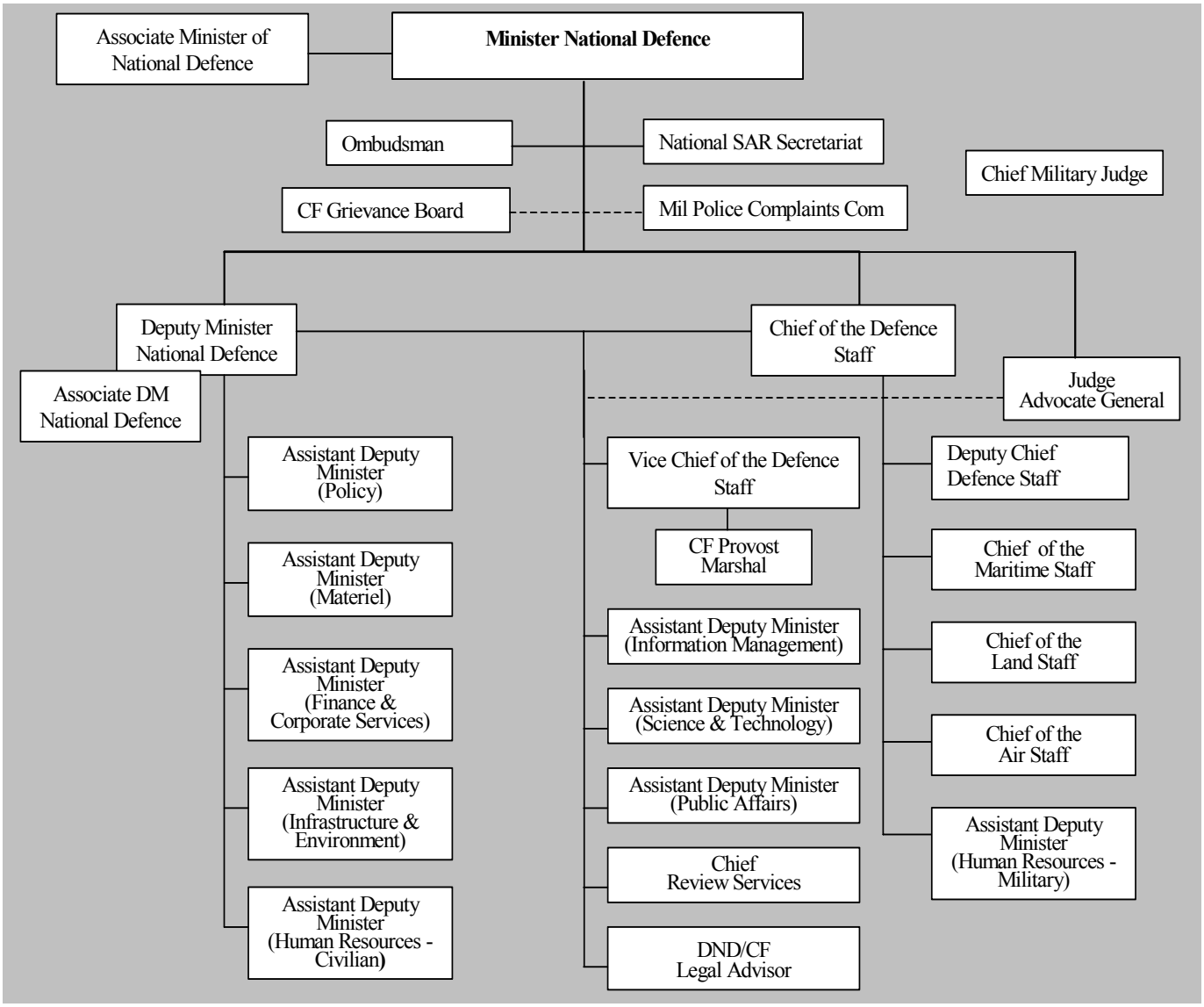
Appendix D: Legislation receiving Royal Assent in fiscal year 2004–2005

Only one National Defence related Bill received Royal Assent in fiscal year 2004–2005: The *Public Safety Act*, 2003 (S.C. 2004, chapter 15). Additional information can be found at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/legReg_e.asp

Appendix E: Audit and Evaluation Work Completed in Fiscal Year 2004–2005

The Chief of Review Services is responsible to deliver high-quality audit and evaluation services consistent with current Defence priorities and long-term objectives. A listing of the Audit and Evaluation work completed in fiscal year 2004–2005 can be found at: http://www.vcds.forces.gc.ca/dgsp/pubs/rep-pub/ddm/dpr2005/audEva_e.asp

Organization Chart



Contacts

Plans and Priorities Information

Vice-Admiral R.D. Buck
Vice Chief of the Defence Staff
National Defence Headquarters
101 Colonel By Drive
Ottawa, Ontario
K1A 0K2

Telephone: (613) 992-6052
Facsimile: (613) 992-3945

Financial Information

Mr. R.G. Monette
Assistant Deputy Minister Finance and Corporate Services
National Defence Headquarters
101 Colonel By Drive
Ottawa, Ontario
K1A 0K2

Telephone: (613) 992-5669
Facsimile: (613) 992-9693

General Inquiries

Public Inquiries Office
Mr. Tom Ring
Assistant Deputy Minister (Public Affairs)
National Defence Headquarters
101 Colonel By Drive
Ottawa, Ontario
K1A 0K2

Telephone: (613) 995-2534
Facsimile: (613) 995-2543
Email: information @forces.gc.ca

Internet sites on the World Wide Web

Department of National Defence	http://www.forces.gc.ca
Office of the Judge Advocate General	http://www.dnd.ca/jag/main_e.asp
Office of the Ombudsman for National Defence and the Canadian Forces	http://www.ombudsman.forces.gc.ca/
National Search and Rescue Secretariat	http://www.nss.gc.ca/
Defence Research & Development Canada	http://www.drdc-rddc.gc.ca
Communications Security Establishment	http://www.cse.dnd.ca/
Defence Planning and Management	http://www.vcds.dnd.ca/dgsp/pubs/dp_m/management_e.asp
Defence Plan On-Line	http://www.vcds.forces.gc.ca/DPOnline/main_e.asp

List of Acronyms

A

ADM (Fin CS)	Assistant Deputy Minister (Finance and Corporate Affairs)
ADM (HR-Civ)	Assistant Deputy Minister (Human Resources – Civilian)
ADM (HR-Mil)	Assistant Deputy Minister (Human Resources – Military)
ADM (IE)	Assistant Deputy Minister (Infrastructure and Environment)
ADM (IM)	Assistant Deputy Minister (Information Management)
ADM (Mat)	Assistant Deputy Minister (Materiel)
ADM (PA)	Assistant Deputy Minister (Public Affairs)
ADM (Pol)	Assistant Deputy Minister (Policy)
ADM (S&T)	Assistant Deputy Minister (Science and Technology)
AF	Air force
AFC	Armed Forces Council
AIMP	Aurora Incremental Modernization Project
AS	Administrative Services
ASD	Alternative Service Delivery

C

C4ISR	Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance
CANSOF	Canadian Special Operations Forces
CAP	Career Assignment Program
CAS	Chief of the Air Staff
CASARA	Civil Air Search and Rescue Association
CBR	Chemical, Biological or Radiological
CBRN	Chemical, Biological, Radiological and Nuclear
CBSA	Canadian Border Services Agency
CCG	Canadian Coast Guard
CD&E	Concept Development and Experimentation
CDS	Chief of the Defence Staff
CF	Canadian Forces
CF H Svcs Gp	CF Health Services Group
CFAWC	Canadian Forces Aerospace Warfare Centre
CFEC	Canadian Forces Experimentation Centre
CIDA	Canadian International Development Agency
CIMIC	Civil-Military Co-operation
CLC	Canada Labour Code
CLS	Chief of the Land Staff
CMS	Chief Maritime Staff
CMTC	Canadian Manoeuvre Training Centre
CRS	Chief Review Services
CRTI	Chemical, Biological, Radiological and Nuclear Research and Technology Initiative
CSE	Communications Security Establishment
CSIS	Canadian Security Intelligence Service

CTTC	Counter-Terrorism Technology Centre

D

DART	Disaster Assistance Response Team
DEP	Defence Ethics Program
DEW	Defence Early Warning
DFO	Fisheries and Oceans Canada
DLN	Defence Learning Network
DM	Deputy Minister
DMC	Defence Management Committee
DND	Department of National Defence
DRDC	Defence Research and Development Canada

E

EAP	Employee Assistance Program
EE	Employment Equity
ERP	Enterprise Resource Planning
ESM	Electronic Warfare Surveillance Measures
EU	European Union
EW	Electronic Warfare

F

FOC	Full Operating Capability
FTE	Full Time Equivalent
FWSAR	Fixed Wing Search and Rescue

H

HMCS	Her Majesty's Canadian Ship

I

ICSAR	Interdepartmental Committee on Search and Rescue
IM	Information Management
IMSR	Information Management Strategic Review
ISAF	International Security Assistance Force
IT	Information Technology
ITI	IT Infrastructure

J

JAG	Judge Advocate General
JIIFC	Joint Information and Intelligence Fusion Capability
JIMP	Joint, Interagency, Multinational and Public
JRCC	Joint Rescue Co-ordination Centre
JSF	Joint Strike Fighter
JSSP	Joint Support Ship Project

L

LFC	Land Force Command
LCD	Leadership Competency Development
LFRR	Land Force Reserve Restructuring
LMA	Labour Market Availability
LMSAR	Lead Minister for Search and Rescue
LTCP(C)	Long-term Capital Plan (Construction)

M

M&S	Modelling and Simulation
MA&S	Materiel Acquisition and Support
MARCOM	Maritime Command
MARCORD	Maritime Command Order
MARLANT	Maritime Forces Atlantic
MARPAC	Maritime Forces Pacific
MASIS	Material Acquisition and Support Information Management System
MASOP	Materiel Acquisition and Support Optimization Project
MTAP	Military Training Assistance Program
MGS	Mobile Gun System
MHP	Military Helicopter Project
MOC	Maritime Operations Centres
MOSART	Military Occupation Structure Analysis, Redesign and Tailoring
MSOC	Maritime Security Operations Centre

N

NATO	North Atlantic Treaty Organization
NBCD	Nuclear, Biological and Chemical Defence
NCM	Non Commissioned Member
NCO	Non Commissioned Officer
NEOps	Network-Enabled Operations
NIF	New SAR Initiatives Fund
NORAD	North American Aerospace Defence
NP	National Procurement
NPOC	National Procurement Oversight Committee
NRF	NATO Response Force
NSP	National Security Policy
NSS	National Search and Rescue Secretariat

O

OMB	Ombudsman
Op	Operation
OSIP	Occupational Structure Implementation Plan
OT&E	Operational Test and Evaluation
OWSM	Optimized Weapons Systems Management

P

PAA	Program Activity Architecture
PERSTEMPO	Personnel Tempo
PRL	Primary Reserve List
PSEPC	Public Safety and Emergency Preparedness Canada
PSHRMAC	Public Service Human Resources Management Agency of Canada
PSI	Proliferation Security Initiative
PSMA	*Public Service Modernization Act*
PSTP	Public Security Technology Program
PWGSC	Public Works and Government Services Canada

R

R&D	Research and Development
R&S	Readiness and Sustainment
RAMF	Realty Asset Management Framework
RAS	Realty Asset Strategy
RCMP	Royal Canadian Mounted Police

S

S&T	Science and Technology
SAR	Search and Rescue
SCIP	Strategic Capabilities Investment Plan
SDS	Sustainable Development Strategy
SHIRBRIG	Multinational Standby High Readiness Brigade
SIGINT	Signals Intelligence
SNMG 1	Standing NATO Readiness Force Maritime Group One
SOC	Strategic Operating Concept
Supp Res	Supplementary Reserve
SWE	Salary Wage Envelope

T

3D+T	Diplomacy, Defence, Development and Trade
TBS	Treasury Board Secretariat
TC	Transport Canada

U

UK	United Kingdom
UN	United Nations
UNSAS	United Nations Standby Arrangement System
U.S.	United States

W

WIB	War in a Box

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