



National Defence

Performance Report

For the period ending
March 31, 2000

Canada

Improved Reporting to Parliament Pilot Document

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

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

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

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Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis the *Part III of the Estimates* document for each department or agency into two separate documents: a *Report on Plans and Priorities* tabled in the spring and a *Departmental Performance Report* tabled in the fall.

This initiative is intended to fulfil the government's commitments to improve the expenditure management information provided to Parliament. This involves sharpening the focus on results, increasing the transparency of information and modernizing its preparation.

The Fall Performance Package is comprised of 83 Departmental Performance Reports and the President's annual report, *Managing for Results 2000*.

This *Departmental Performance Report*, covering the period ending March 31, 2000 provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the department's *Report on Plans and Priorities* for 1999-00 tabled in Parliament in the spring of 1999.

Results-based management emphasizes specifying expected program results, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and reporting on achievements in a balanced manner. Accounting and managing for results involve sustained work across government.

The government continues to refine its management systems and performance framework. The refinement comes from acquired experience as users make their information needs more precisely known. The performance reports and their use will continue to be monitored to make sure that they respond to Parliament's ongoing and evolving needs.

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

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National Défense
Defence nationale

DEPARTMENTAL PERFORMANCE
REPORT
FOR THE PERIOD ENDING
31 MARCH 2000

Canada 

MINISTER'S MESSAGE



I am pleased to present to Parliament and the people of Canada the 1999-2000 performance report for the Department of National Defence and the Canadian Forces.

As in years past, this report allows me to highlight some of the achievements that demonstrate the dedication and professionalism of the Defence team. These men and women – both military and civilian, Regular Force and Reserves – have made significant contributions to the safety, security and well-being of Canadians, and to the peace and stability of the global community. Indeed, while sustaining a high tempo of operations over the past few years, the men and women of the Canadian Forces have consistently met, and often exceeded, expectations.

During the past year, our troops played an important role in ending the humanitarian crisis and restoring peace in Kosovo. Alongside our NATO allies, the Canadian Forces flew more than 675 combat missions and achieved a commendable level of success. With the end of the air campaign, more than 1,400 Canadian Forces personnel were deployed to the region to assist in creating a safe environment that would permit the return of the Kosovar refugees.

Our commitment to international peace and the human security agenda was again demonstrated with the deployment of Canadian Forces personnel to East Timor. As part of the Australian-led multinational peacekeeping force, our troops helped to restore peace and order following violence precipitated by a vote to secede from Indonesia.

In addition to supporting peace operations in Bosnia-Herzegovina, providing humanitarian assistance after the earthquake in Turkey, and contributing to de-mining efforts in Cambodia and Mozambique, the Canadian Forces also made a difference at home. The most significant domestic operation centred on the transition to the Year 2000. Although the millennium transition was virtually incident-free, the Canadian Forces were thoroughly prepared to assist Canadians if they had been called upon.

The Canadian Forces also provided support to more than 8,700 search and rescue operations, in co-operation with the Canadian Coast Guard, and assisted Citizenship and Immigration in dealing with the arrival of four smuggling vessels – which were carrying upwards of 600 illegal migrants – off the West Coast of Canada.

As an important national institution, Defence also contributed to national priorities such as research and development, economic growth, and youth training and employment. Indeed, with the Reserves and our Cadets and Junior Canadian Rangers programs, Defence is one of the largest employers of Canada's youth.

Department of National Defence 1999-2000 Departmental Performance Report

While ensuring Defence continues to meet its commitments at home and abroad, we have also made significant progress in preparing the Department and the Canadian Forces for the challenges of the future. With the support of the Government, two consecutive years of funding increases, and a real commitment to reform and change, Defence has overcome considerable challenges in recent years and is now building on a stronger foundation for the future.

Defence has implemented more than 300 institutional reforms in the past few years. While more needs to be done, Defence has made significant progress in strengthening leadership at all levels, improving education and training standards, modernizing the military justice system, and enhancing openness, transparency and accountability.

Significant strides have also been made in implementing the recommendations of Parliament's Standing Committee on National Defence and Veterans Affairs to improve the quality of life of Canadian Forces members and their families. Defence has increased salaries for Canadian Forces personnel, improved accommodations, enhanced support to injured and retired members and their families, and is moving forward to improve the quality and effectiveness of its medical services.

Moreover, with the acquisition of our *Coyote* reconnaissance vehicles, *LAV III* armoured personnel carriers, *Cormorant* search and rescue helicopters, and *Victoria* class submarines, we have taken action to ensure the long-term effectiveness and relevance of the Canadian Forces. In many ways the Canadian Forces are more combat-capable today than they were ten years ago.

Like other Canadian institutions and other areas of government, however, Defence continues to face significant challenges. The world is changing. Threats to international peace, stability and human security are more complex and unpredictable. While the threat of global war has decreased, regional ethnic and intra-state conflict has increased. In addition, modern military operations are becoming more demanding and the proliferation of high-end conventional weapons is making many theatres of operations more dangerous.

In moving forward to meet the challenges of the future, we must focus our resources on the defence capabilities that Canada needs for the future. Accordingly, I am committed to ensuring that the Canadian Forces have forward-looking and dynamic leadership, are interoperable with Canada's principal allies, able to deploy quickly and efficiently to trouble spots to support peace and humanitarian operations, and capable of operating effectively across the spectrum of conflict.

The men and women of the Department of National Defence and the Canadian Forces have demonstrated time and again that they will rise to any challenge. In Bosnia, Kosovo, or here at home in 3,000 communities across the country, it is the military and civilian personnel who make up this institution that will carry Defence into the future.

Department of National Defence 1999-2000 Departmental Performance Report

I sincerely hope that this report provides you with a greater appreciation of Defence and the contribution it makes to all Canadians.

Sincerely,

The Honourable Art Eggleton, P.C., M.P.
Minister of National Defence

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PART I — DEPARTMENTAL OVERVIEW

Introduction

Together, the Department of National Defence and the Canadian Forces form a vital national institution. Reflective of Canada's cultural, linguistic and regional diversity, Defence has a presence in every province and territory, and in more than 3,000 communities across the country.

In delivering on its mission, Defence performs core functions of government, from protecting Canadian sovereignty, to ensuring the safety, security and well-being of Canadians and communities around the world.

Here at home, the Canadian Forces are responsible for the surveillance and control of our territorial, airspace and maritime approaches, and for providing assistance to civil authorities in areas such as search and rescue, fisheries and border protection, environmental surveillance, counter-terrorism response, emergency preparedness, and disaster relief.

Defence also contributes to the achievement of many national priorities. The Department and Canadian Forces support economic growth, research and development, innovation and knowledge, and youth training and employment.

As a partner with the United States in North American security, Defence helps monitor and protect the Canadian approaches to the continent. Canadian and American forces work together on an ongoing basis in areas such as training, drug interdiction and emergency preparedness and response. The Canada-U.S. defence partnership is embedded in the North American Aerospace Defence Command (NORAD), and is an important element of Canada's overall relationship with the United States.

Internationally, Defence is a key instrument through which Canada protects and promotes its interests and values on the world stage. Defence is critical to delivering on Canada's international commitments to the United Nations and the North Atlantic Treaty Organization (NATO), and plays an important role in the Government's efforts to advance a more secure world and promote human security. The Canadian Forces are recognized for their expertise in peacekeeping, peace building, peace enforcement, civil-military relations, military training assistance, de-mining and humanitarian assistance. Moreover, military attachés accredited to 90 countries help to support Canadian diplomacy around the world.

THE DEFENCE MISSION

The mission of the Department of National Defence and the Canadian Forces is to **defend Canada and Canadian interests and values while contributing to international peace and security.**

Within this broader context, Defence's mandate under Canada's defence policy is to maintain multi-purpose, combat-capable forces able to participate in operations and activities across the entire spectrum of conflict.

Canadians clearly support these roles. According to Defence's annual national survey:

- 95% of Canadians agree that it is important for Canada to maintain a modern, combat-capable military;
- 94% of Canadians agree that peacekeeping requires combat-ready forces;
- 92% of Canadians believe that it is important for the Canadian Forces to be able to protect human rights in fragile democracies;
- 90% strongly support the use of the Canadian Forces to help Canadians in crisis; and
- 90% support Canada's continued participation in NORAD.

The Department of National Defence and the Canadian Forces will continue to meet the following commitments:

- Providing strategic defence and security advice and information to the Government.
- Conducting surveillance and control of Canada's territory, airspace and maritime areas of jurisdiction.
- Responding to requests for Aid of the Civil Power.
- Participating in bilateral and multilateral operations.
- Assisting Other Government Departments and other levels of Government in achieving national goals.
- Providing support to broad Government programs.
- Providing emergency and humanitarian relief.
- Maximizing defence capabilities through the efficient and effective use of resources.

Overview of the Report

The remainder of this report examines in greater detail the performance of the Department of National Defence and the Canadian Forces over fiscal year 1999-2000. The next few pages focus on our accomplishments. It includes, among other things, information on operations and missions undertaken and departmental support of broad Government initiatives.

Part III contains several required reports, including information on our Sustainable Development Strategy and procurement and contracting practices.

Parts IV and V present financial performance information and supplementary information about the overall Defence program.

Department of National Defence 1999-2000 Departmental Performance Report

Chart of Key Results Commitments

To provide Canadians with:	To be demonstrated by:	Achievements reported on page:
<p>Multi-purpose, combat-capable maritime, land and air forces capable of defending Canada and Canadian interests and values while contributing to international peace and security</p>	<ul style="list-style-type: none"> ➤ the capability to provide strategic defence and security information to the government ➤ the capability to monitor and control activity within Canada's territory, airspace and maritime areas of jurisdiction ➤ the capability to assist in mounting, at all times, an immediate and effective response to terrorist incidents ➤ the conduct of domestic operations involving assistance to civil authorities and to individuals, including assistance to provincial authorities in law enforcement operations up to and including Aid of the Civil Power under the <i>National Defence Act</i>, Part XI ➤ the capabilities to participate in bilateral and multilateral operational missions in Canada and around the world ➤ the ability to operate effectively at sea, on land and in the air with the military forces of the United States in defending North America through a variety of arrangements such as NORAD ➤ participation in a wide range of existing bilateral defence agreements between Canada and the United States, including the Test and Evaluation Program and the Defence Production and Development Sharing Arrangements ➤ deployment on multilateral operations anywhere in the world under United Nations auspices, or in defence of a NATO member state, contingency forces of up to a maritime task group, a brigade group and an infantry battalion group, a wing of fighter aircraft and a squadron of tactical transport aircraft ➤ maintenance of a full slate of peacetime commitments to NATO ➤ bilateral and multilateral contacts and exchanges with selected partners in Central and Eastern Europe, the Asia-Pacific Region, Latin America and Africa ➤ the verification of existing arms control agreements, including the Conventional Forces in Europe Treaty, and participating in the development of future accords ➤ assisting other government departments and other levels of government in achieving national goals ➤ assisting other federal government departments (such as counter-drug operations in co-operation with the Royal Canadian Mounted Police and fisheries patrols in co-operation with Fisheries and Oceans Canada) ➤ the capability to assist the Department of Foreign Affairs and International Trade in the protection and evacuation of Canadians from areas threatened by conflict ➤ support to broad government programs ➤ maximizing defence capabilities through the efficient and effective use of resources 	<p>20 – 23</p> <p>48 – 49</p> <p>48 – 49</p> <p>4 – 6, 49 – 55</p> <p>4 – 6, 22 – 23</p> <p>4 – 6, 22 – 23</p> <p>49 – 55</p> <p>49 – 55</p> <p>52 – 54</p> <p>8, 15, 19, 28</p> <p>7 – 8</p> <p>49 – 55</p> <p>15, 19, 28</p> <p>12, 25 – 27</p>
<p>A civil emergency preparedness capability, humanitarian assistance and disaster relief</p>	<ul style="list-style-type: none"> ➤ safeguarding Canadian lives and reducing damage to properties by ensuring an appropriate level of civil emergency preparedness throughout Canada ➤ the provision of assistance in the event of civil disasters (such as floods, forest fires, hurricanes, snow and ice storms) and humanitarian assistance (such as searches for missing persons, diver assistance, and search and rescue) ➤ the provision of vital humanitarian assistance at home and abroad with the Canadian Forces Disaster Assistance Response Team 	<p>8, 68 – 69</p> <p>7, 64 – 69</p> <p>5, 50</p>

PART II — DEPARTMENTAL PERFORMANCE

Whether securing peace in Kosovo, providing humanitarian assistance after the earthquake in Turkey or spearheading Canada's search and rescue efforts, Defence continued to make important contributions to the safety, security and well-being of Canadians and communities throughout the world.

The following pages set out the accomplishments of the Department and the Canadian Forces over the past year.

Operational Effectiveness of the Canadian Forces

The most important and enduring priority of the Department and the Canadian Forces is ensuring the ongoing operational effectiveness of Canada's military.

Experience has repeatedly demonstrated the need to maintain multi-purpose, combat-capable forces able to participate in operations and activities across the entire "spectrum of conflict".

1999-2000 was one of the busiest and most demanding years for the Canadian Forces since the Korean War. For most of the year, more than 4,500 Canadian Forces personnel were deployed on 23 missions around the world - a higher proportion of the total force structure deployed on peace support operations than that of most other like-minded Western nations. This tempo of operations has had an impact on our people and it is likely that our soldiers, sailors, airmen and airwomen will be called upon to do even more in the decade ahead.

Significant international operations in fiscal year 1999-2000 included:

Kosovo. The most visible Canadian Forces operations during the past year took place in Kosovo. As part of its efforts to end the humanitarian crisis and bring peace to Kosovo, NATO launched an air campaign against the Federal Republic of Yugoslavia in March 1999. Contributing 18 CF-18 fighters at the height of the campaign, the Canadian Forces flew more than 675 combat sorties, logging more than 2,600 combat flying hours. In fact, the Canadian Forces flew 10% of all missions flown over Kosovo.



When the air campaign ended in June 1999, approximately 1,400 Canadian troops joined the NATO-led peace implementation force operating in Kosovo. The mandate of the force was to create a safe environment that would permit the return of the Kosovar refugees and the re-establishment of a functioning economy. In December 1999, Canadian Forces personnel assisted refugees in preparation for the onset of winter, distributing 5,000 emergency shelter kits and helping to install 700 roof kits.

In a highly successful joint humanitarian operation with Citizenship and Immigration Canada and the Red Cross, the Canadian Forces provided temporary accommodations

to about 5,000 Kosovar refugees between April and August 1999. Accommodated at various Canadian Forces facilities across the country, they received the care and attention needed to regain their health and strength, while they waited to return home.

East Timor. The Canadian Forces also played a key role in the international peacekeeping force in East Timor. In September 1999, approximately 650 Canadian Forces personnel joined the Australian-led multinational force of 7,500 soldiers, sailors, airmen and airwomen to restore peace and order following violence precipitated by a vote to secede from Indonesia. The mission involved the airlift of over two million pounds of cargo; at-sea and ashore replenishment by HMCS PROTECTEUR; and the control of over 1,000 square kilometres of jungle by personnel from the 3rd Battalion, Royal 22^e Régiment.



Bosnia-Herzegovina. As part of NATO's Stabilization Force, Canada contributed a 1,350 strong Canadian task force in support of United Nations peace operations in Bosnia-Herzegovina. The task force - which includes a battle group, support and command elements, an advanced surgical centre, a helicopter detachment and construction engineers - assists in deterring hostilities, establishing a secure environment, and monitoring the peace in the area. Regrettably, one Canadian Forces soldier died while deployed to Bosnia-Herzegovina.

Over the course of the past year, Defence has moved to consolidate Canada's commitment in the Balkans in Bosnia-Herzegovina, in cooperation with Canada's NATO allies. As a result, our presence in Bosnia has increased to an approximate strength of 1,800 troops and, on a rotating basis with the United Kingdom and Netherlands, we have assumed command of a new and larger sector of operations there.

Turkey. Following the massive earthquake that devastated parts of Turkey in late August 1999, Canada's Disaster Assistance Response Team (DART) was quickly deployed to provide medical assistance and relief. Throughout its 40-day mission, the 200-member DART cared for over 5,100 victims of the earthquake, produced and distributed over 2.7 million litres of clean drinking water, and constructed a tented camp for 2,000 displaced people.

Arabian Gulf. In the Arabian Gulf, HMCS REGINA joined forces from the United Kingdom, Australia, New Zealand, Norway, France, and the United States to monitor and enforce United Nations sanctions on the import and export of commodities to and from Iraq. Before returning to Canada in mid-December 1999, the ship's company of HMCS REGINA completed more than 95 hailings and 22 boardings as part of the multinational maritime force.

STANAVFORLANT. Canada's Navy also made noteworthy contributions to the Standing Naval Force Atlantic (STANAVFORLANT), the NATO Immediate-Reaction Naval Force. During the past year HMCS ATHABASKAN and HMCS IROQUOIS served alternately as the Squadron's Flagship, under the command of RAdm David Morse. STANAVFORLANT was deployed to the Adriatic at the height of the Kosovo crisis to ensure that relief supplies reached Kosovo, while stopping war materials from reaching

the combatants. The Squadron also assisted in deterring the Yugoslavian Navy from threatening allied aircraft carriers whose planes were flying missions in the region.

In addition to these major military operations, the Canadian Forces also participated in other operations to advance a more secure world.

Landmines. Working with the United Nations in Bosnia, Cambodia and Mozambique, the Canadian Forces contributed to international efforts to remove landmines. Canadian Forces military engineers continued to provide the expertise needed to help detect and dispose of millions of unexploded landmines so that people can reclaim arable land and rebuild their settlements.

Arms Control Verification. The ability to inspect and verify compliance with arms control agreements is crucial to the relative success or failure of these arrangements. In 1999-2000 Canadian Forces personnel conducted arms control inspections in support of the Treaty on Conventional Armed Forces in Europe, the Dayton Peace Accords, the Treaty on Open Skies and the Organization for the Prohibition of Chemical Weapons.

Partnership for Peace Activities. The introduction of the Partnership for Peace (PfP) initiative in 1994 added a new dimension to the relationship between NATO and non-NATO countries. The aim is to enhance stability and security throughout Europe. In 1999, Canadian Forces personnel participated in three maritime, three land and two air force PfP exercises.

Defence also continued to play an important role in the protection of the North American continent in concert with the United States. Canada and the United States share one of the most successful and longstanding defence relationships in the world.

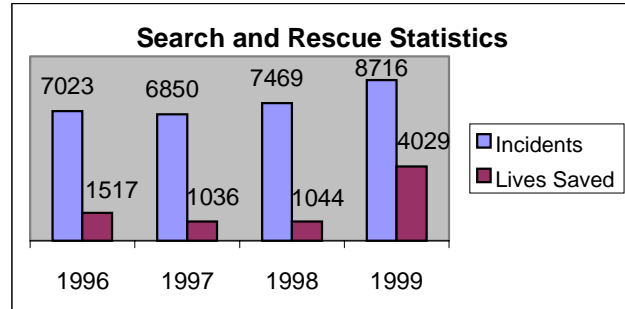
North American Aerospace Defence Command. The North American Aerospace Defence Command (NORAD) continues to be the centrepiece of the Canada-U.S. defence relationship. With NORAD acting as the “eyes and ears” of our early warning and surveillance activities, providing constant aerospace surveillance, warning and airspace control is maintained for North America. When an aircraft is not identified within two minutes, it becomes an item of interest to NORAD. If required, “unknown aircraft” are intercepted and identified by aircraft dedicated to NORAD. Over the past year, NORAD has:

- intercepted 736 aircraft, 82 of which were suspected drug smugglers;
- supported worldwide Y2K transition efforts, including collaboration with Russian military agencies to minimize the potential for errant missile launches;
- detected over 400 missile and space booster launches; and
- responded to a notable increase in Russian long-range aviation activity with NORAD surveillance assets and alert forces.

The NORAD agreement—originally signed in 1958—was renewed for the ninth time on 16 June 1999, extending the agreement through to May 2006.

In addition to Kosovo, East Timor, Bosnia and the Year 2000 transition, the Department and the Canadian Forces also maintained their core, ongoing operations in support of search-and-rescue, surveillance and control of Canadian airspace and coastal approaches, and in support of other government departments.

Search and Rescue. The Department and the Canadian Forces spearheaded search and rescue response and co-ordination as part of the National Search and Rescue Program. The Canadian Forces responded to a record number of incidents this past year.



In cooperation with the Canadian Coast Guard, the Canadian Forces provided support to and helped coordinate 8,716 search-and-rescue operations, resulting in the saving of 4,029 lives. These operations represent an increase of 1,274 events - close to 17% - over those conducted in 1998. We cannot predict the number of incidents that we are likely to respond to because they depend on numerous variables; however, we can and do maintain the ability to respond if the need arises. The new *Cormorant* helicopter will improve the working conditions of the search and rescue teams and increase their ability to provide assistance.

The Department and the Canadian Forces also support broad national objectives, in concert with other government departments.

Counter-migrant Smuggling Operations. The Canadian Forces, at the request of Citizenship and Immigration Canada, provided assistance in counter-migrant smuggling operations to tackle the trafficking of illegal migrants off the West Coast of Canada. Aircraft conducted surveillance and naval vessels helped interdict the migrant ships, providing rescue support and transportation to secure locations. Four smuggling vessels in total - carrying upwards of 600 illegal migrants - were apprehended. Defence facilities in Esquimalt, British Columbia were used to temporarily house the illegal migrants.

Counter-drug Operations. This past year Defence also provided assistance to drug enforcement activities. The Canadian Forces deployed personnel and resources to assist in the conduct of five counter-drug operations. The largest of these, Operation SABOT 99, involved the provision of increased aviation support for the RCMP's nationwide Marijuana Eradication Program. More than 430 hours of CH-146 *Griffon* flying time was devoted to assist the RCMP and other law enforcement agencies in locating and seizing marijuana plants not easily detected or accessible by other means. As a direct result of Canadian Forces supported operations more than 54,500 plants worth in excess of \$136 million were confiscated and destroyed.



In July 1999, the Minister of National Defence and the Solicitor General for Canada reviewed and approved a substantially revised memorandum of understanding on the provision of Canadian Forces assistance to drug enforcement activities. The new agreement not only reaffirms Defence's commitment to work with the RCMP in combating drug traffickers, but also broadens the range of defence capabilities that may be made available to support counter-drug initiatives.

Environmental Surveillance. The Canadian Forces worked with Environment Canada to protect our natural resources by conducting environmental surveillance - watching for ships discharging pollutants such as bilge water or bunker oil that can kill marine life and foul Canadian shores. In fact, our CP-140 *Aurora* aircrews file 85% of all pollution violations reported. Their testimony and evidence have helped get convictions against polluters in court and generated fines of more than \$50,000 per offence.

Year 2000

Dealing with the complex of Y2K-related issues was an over-riding priority for us in 1999.

Under Operation ABACUS, the Canadian Forces prepared to support the Canadian public in the event that segments of the national infrastructure failed during the Year 2000 (Y2K) rollover. At the same time the Canadian Forces continued to fulfil their full range of essential national and international tasks.

This domestic operation was the primary focus for all non-operationally tasked units within Canada for the first three-quarters of fiscal year 1999-2000.



Approximately 2,500 Canadian Forces personnel were employed during the operation at headquarters across Canada and with the National Command and Control Information System. An additional 14,000 Regular Force and 11,000 Reserve Force personnel were also ready for employment over the millennium transition, had the need arisen. Fortunately, the Year 2000 rollover occurred with little impact. In the end, national preparations proved to be extremely successful. Had the federal or provincial governments requested assistance, the Canadian Forces were well prepared and ready to respond.

In the period leading up to midnight 31 December 1999, the Department and the Canadian Forces expended considerable time and effort to identify and fully test over 1,400 mission critical systems. This activity was an over-riding priority of the Department, the Canadian Forces and from the Government perspective the National Contingency Planning Group (NCPG). In order to be able to effectively meet any Year 2000 transition problems, we took steps to ensure that all our equipment, whether used in Canada or abroad to support missions, was fully operational. As a result of these efforts, no Canadian Forces mission critical system failures occurred, having no impact on our operational capability.

Emergency Preparedness Canada also played a major role in the millennium transition. Working under the aegis of the NCPG, EPC co-ordinated the development, exercising and testing of the federal government's monitoring and response capability. EPC played a lead role in developing and implementing exercises to test the contingency capacities of federal, provincial and private sector partners. EPC's activities also included the responsibility for national monitoring and situation reporting and provincial/territorial interface co-ordination.

Building on a Stronger Foundation

While continuing to make a difference at home and abroad, Defence also focussed on maintaining and enhancing the effectiveness and efficiency of essential military capabilities. Defence has:

- improved the quality of life of Canadian Forces personnel and their families;
- strengthened leadership at all levels;
- enhanced education, training and professional development; and
- increased the capital equipment program.

As a result of these efforts and two consecutive years of funding increases, Defence has a stronger foundation upon which to build for the future.

Quality of Life

People issues are a priority for any organization. This is especially true for the Canadian Forces today.

The quality of life of our personnel is the top priority for the Department and the Canadian Forces. While more remains to be done, Defence has made significant improvements in the quality of life of our personnel.



The interim report on quality of life in the Canadian Forces was presented to the Standing Committee on National Defence and Veterans Affairs in December 1999. This report outlined the considerable accomplishments that have been made since the government's response was tabled in parliament on March 25, 1999.

In its March 2000 Report, the Standing Committee on National Defence and Veterans Affairs (SCONDVA) noted significant accomplishments this past year in satisfying the 89 recommendations made in its 1998 strategic plan for enhancing quality of life in the Canadian Forces. The Department continued to place the well-being of our Forces personnel as a top priority. Other initiatives pursued include:

- the review of Acting Pay as part of the overall review of the Total Compensation Package currently being conducted;
- the implementation of new parental leave and allowance regulations that provide 93 percent pay for a period up to 12 weeks and increase the current parental leave from 10 to 26 weeks;
- a plan to replace the current Accommodation Assistance Allowance with a new Post Living Differential that provides for overall cost of living differences in locations across Canada; and

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- the development of a Family care Assistance Plan to provide some financial relief for personnel who incur additional family care expenses as a result of operational requirements.



To improve housing for military families, the Canadian Forces Housing Agency was provided with an additional \$50 million in 1999 and \$30 million in 2000 for health and safety repairs in Private Married Quarters (PMQs). Furthermore, military accommodation requirements and the private sector market supply are being examined to develop a long-term Master Implementation Plan to permit the orderly disposal, refurbishment and, if necessary, replacement of PMQs.

In addition, the concerns of Reservists are also being addressed. Currently, Reservists are the only part-time component of the federal government without a pension plan. Over the past year a feasibility assessment has been progressing to seek options and to study the technical implications.

As of 1 April 2000, 39 of SCONDVA's 89 Quality of Life recommendations have been successfully completed and much effort is being expended by the Canadian Forces Quality of Life Project to complete the outstanding items.

The department also worked closely with Veterans Affairs Canada (VAC) to ensure that veterans and military members injured while on duty to Canada have received major improvements in support and benefits. The department and VAC Combined Centre for the Support of Injured and Retired Members and their Families was established to provide this support. Thus far, hundreds of serving and retired members have been helped to receive medical and pension benefits.

Our people remain our most important priority. Therefore, Defence is committed to improving the lives of our military personnel, past and present, and will continue to vigorously support these efforts.

Procurement

The procurement of equipment, goods and services is critically important to the success of the Department and the Canadian Forces.

To carry out their missions, the men and women of the Canadian Forces need the right equipment, at the right time, at the right place. Recent government increases to the Defence budget will alleviate some of the pressure that has existed on Defence's capital program. Defence is taking action to ensure the long-term operational effectiveness of the Canadian Forces. Important acquisitions have been made in recent years to this end: the navy has begun to take possession of its new *Victoria*-class submarines, the army has new state of the art armoured vehicles, and the air force has precision-guided munitions and is upgrading its CF-18s.

While these acquisitions have made the Canadian Forces more combat-capable than it was ten years ago, other pieces of current Canadian Forces equipment are nearing the end of their serviceable life. Last year, Defence identified four major procurement projects that required action.

Maritime Helicopters. For 37 years, the *Sea King* has been Canada's maritime helicopter. Looking to the future, the Department of National Defence has conducted an extensive review of its maritime helicopter requirements, using operational scenarios that are designed to simulate a full range of activities.

A Statement of Operational Requirement has been produced, upon which a Request for Proposal to industry will be based. By moving forward to acquire a *Sea King* replacement, the Department is fulfilling the requirement for a new maritime helicopter, as outlined in the *Defence White Paper*.

In August 2000, the Department received approval to proceed with acquiring 28 helicopters to replace the ageing *Sea King*. Delivery of the first fully integrated helicopter is planned for 2005. A procurement strategy will be implemented to allow for contract award for the basic helicopter as soon as possible in 2001, followed on by acquisitions for the mission system and system integration.

CF-18 Incremental Modernization. The CF-18 Incremental Modernization Project will improve avionics supportability and provide interoperability, survivability and operational capability throughout the lifetime of the CF-18. The project approach aims to correct critical deficiencies as quickly as possible so that essential concerns can be addressed in a timely and cost effective manner, and interoperability with Canada's allies can be regained and maintained. The scope of the program is limited to 80 aircraft.



The Mission Computer and Software project has commenced and we recently received government approval to proceed with the integration of the major components and most complicated systems of the incremental modernization project.

Canadian Military Satellite Communications. Under this project, Defence is planning to acquire an effective long-range communications capability to support the command and control of deployed forces. Upon completion, it will enhance the Forces' ability to interoperate with key allies, particularly the United States.

Aurora Modernization Project. This project consists of several elements aimed at refurbishing and replacing systems required to extend the capability of the *Aurora* long-range patrol aircraft. These aircraft are essential to maritime and civil operations and to maintain a long-range strategic surveillance capability in support of other Canadian Forces and government objectives.



This past year a contract for the modernization of eighteen *Aurora* aircraft was awarded to carry out the Navigation and Flight Instruments Modernization element portion of the project. This project will equip the *Aurora* aircraft with state-of-the-art main computers and enhanced navigation and communications systems to greatly increase the effectiveness of Canada's coastal patrol fleet.

Innovative Procurement

Acquiring and maintaining appropriate equipment is fundamental to the success of the Canadian Forces. This equipment is vital to ensuring our operational effectiveness.

Significant portions of the Canadian Forces inventory are ageing rapidly and as the Auditor General reported in 1998, without increased capital investment, the Canadian forces face eventual "rust out". To some extent, the problem of "rust out" is self-reinforcing. As equipment ages it becomes more expensive to operate and maintain, but less effective. Over the past year we have refocused our efforts on addressing the challenges with our capital investment and have taken a number of positive steps to strengthen our contracting management framework. These include:

- The publication of clear policy direction to guide contracting in general, as well as specific direction on contracting services, local procurement practices, and the use of acquisition cards;
- The establishment of an advisory committee to exercise oversight over contracting activity;
- Work conducted with the Treasury Board Secretariat and other departments to improve contracting processes; and
- Continuing our program of training personnel in procurement and contracting.

With the acquisition of our world-class *Coyote* reconnaissance vehicles, state-of-the-art *Cormorant* helicopters and modern *Victoria* class submarines, as well as the recent announcement of the Maritime Helicopter Project, Defence has taken action to ensure the long-term effectiveness of the Canadian Forces.



Implementing Reform

The Department and the Canadian Forces are in the process of implementing one of the most sweeping sets of reform ever introduced to a federal institution. These reforms impact in some way on all Departmental and Canadian Forces activities and personnel.

As a national institution and a source of pride for Canadians, Defence has a responsibility to meet the highest of public standards and expectations. The Department and the Canadian Forces take this responsibility seriously.

Over the past few years, Defence has been implementing one of the most sweeping sets of reforms ever introduced to a federal institution. These initiatives addressed issues such as openness and transparency, accountability, leadership, military justice and human resources management. These reforms are reflected in the *Final Report of the Minister's Monitoring Committee on Change*.

In its final report in 1999, the Minister's Monitoring Committee on Change noted that:

"We (the members of the committee) believe that the reform program is gaining momentum and, in our judgement, many of the actions called for in the various reports and inquiries we have monitored have substantially been met ... the assessment of success, however ... should take into account the degree to which the institution has integrated reform into its culture, and its way of carrying on its daily business."

As part of our commitment to reform and change, Defence has continued to support the process of renewal underway with the Department and the Canadian Forces in order to ensure that reforms are institutionalized.

This comprehensive program of reform, involving the implementation of 314 of 339 recommendations from five reports, is progressing. To date 74% of the accepted recommendations have been implemented. Notable accomplishments include:

- amendments made to the *National Defence Act* ;
- an overhaul of the military justice system to be more in line with current regulations and institutional requirements;
- the establishment of the Military Police Complaints Commission;
- creation of the Canadian Forces Grievances Board; and
- the appointment of an organizational ombudsman;

MILITARY JUSTICE

The past few years have seen the most dynamic period of reform to the administration of military justice since the passage of the *National Defence Act* (NDA) in 1950. The majority of the NDA amendments and necessary implementation regulations took effect as of 1 September 1999.

The key changes to the military system involved:

- the clarification of the roles and responsibilities of the Minister of National Defence, the Judge Advocate General and military judges;

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- the clear separation of executive, investigative, prosecution, defence and judicial functions;
- the modernization of the court martial and summary trial process; and
- the strengthening of the oversight and review process to ensure that military justice is fair and meets the expectations of Canadians.

The Canadian Forces legal system is composed of the Office of the Judge Advocate General and the Department of National Defence and the Canadian Forces Legal Advisor.

Judge Advocate General. The Judge Advocate General (JAG) is the senior legal advisor to the Minister, the Department and the Canadian Forces on matters of military justice and to the Government of Canada on military law. The JAG also oversees and supervises the administration of the military justice system.

Between 1 September 1999 and 31 March 2000, the office of the JAG initiated 466 summary trial proceedings, held 27 courts martial, and launched a number of initiatives in relation to the superintendence and review of military justice.

The JAG has also increased training and education for commanding officers and delegated officers to ensure that they are knowledgeable about their roles in the military justice system and competent to perform them. Between 1 September 1999 and 31 March 2000, the JAG trained 2,406 Canadian Forces members and certified 2,097.

Department of National Defence/Canadian Forces Legal Advisor. The Department of National Defence/Canadian Forces Legal Advisor (DND/CFLA) is the primary legal service provider for Defence in the areas of legislative and regulatory services, pensions and finance, claims, materiel procurement, environment and real property, civilian labour relations, public law (including human rights), information and privacy and intellectual property issues.

DND/CFLA contributed to a number of important files this past year, including:

- the establishment of the Office of the Ombudsman;
- the Child Soldier issue;
- the Quality of Life program;
- the reform of bill C-25;
- several non-public funds issues; and
- the application of the *Canadian Charter of Human Rights and Freedoms* to Canadian Forces policies on employment, universality of service and freedom of expression and association.

DND/CFLA has also reduced legal costs and delays through the use of alternative dispute resolution practices in a variety of cases.

MILITARY POLICE COMPLAINTS COMMISSION

Transparency and accountability have also been improved with the establishment of the independent Military Police Complaints Commission, which became operational on 1 December 1999.

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This organization will hear complaints about the conduct of the Military Police in the performance of any of their policing duties or functions. Military Police can also file a complaint if they believe there has been interference in an investigation.

The Military Police Complaints Commission is external to, and independent of, the Department and the Canadian Forces, and has the power to investigate and conduct public hearings.

CANADIAN FORCES GRIEVANCE BOARD

In December 1998, the government introduced legislation that contained comprehensive amendments to modernize the *National Defence Act*.

One of these reforms created an independent review of grievances through the establishment of the Canadian Forces Grievance Board. The Board came into force on March 1, 2000 and its role is to complete an objective and impartial review of each grievance referred to it by the Chief of the Defence Staff.

The establishment of the Board demonstrates the importance placed upon increasing our transparency and accountability.

OMBUDSMAN

The Office of the Ombudsman was established to improve openness and accountability within DND/CF. André Marin was appointed to the newly created position in June 1998, and the Office became operational on 16 June 1999.

Over the past fiscal year, the Ombudsman has:

- issued several status reports over the course of the year;
- received requests for assistance with 1,294 complaints; and
- completed three major investigations.

EMPLOYMENT EQUITY AND DIVERSITY

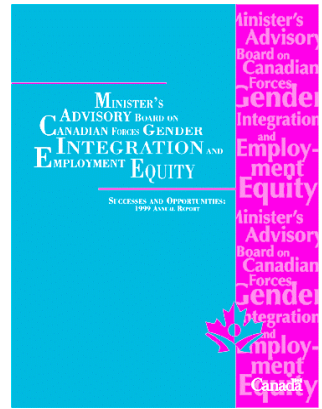
The Department and the Canadian Forces must be reflective of the diverse society that they serve. The first Canadian Forces Employment Equity plan *Leadership in a Diverse Canadian Forces* was introduced this past year to address recruiting, retention and promotion issues facing the Canadian Forces. This plan incorporates input received from a diversity conference held in 1999 and is intended to further the gender integration stated under direction of the 1989 Canadian Human Rights Tribunal ruling. The plan also seeks to increase representation of Aboriginal peoples and visible minorities in the Canadian Forces.

In recognition of the increasing importance of dealing with issues specific to the designated groups, the department has provided funding to better support the activities of the Defence Advisory Groups. These groups play a vital role in highlighting issues and providing advice to senior leadership in the Department on issues affecting their members.

Another avenue for advice is through the Minister's Advisory Board on Canadian Forces Gender Integration and Employment Equity. The Board continues to monitor and advise

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regarding the progress of integration of women in the Canadian Forces as directed by the Canadian Human Rights Tribunal in 1989. The Board has also assumed a new advisory role in assisting the Canadian Forces senior leadership to implement employment equity in the Regular and Reserve Forces.



In their report of March 2000, the Board members reported encountering a variety of activities and situations, which they would label as positive developments. As well, other areas have been noted as presenting opportunities to address gaps in order to reach the desired outcomes.

ALTERNATIVE DISPUTE RESOLUTION

The Department and the Canadian Forces initiated the Conflict Management Project to more effectively deal with the challenges of conflict in the workplace. This initiative reflects the Leadership's commitment to strengthen our organization by introducing new approaches for the prevention and resolution of workplace disputes.

These approaches are generally referred to as Alternate Dispute Resolution (ADR) which uses informal methods, such as negotiation and mediation to resolve disputes. The objective of ADR is to offer a more efficient, effective and friendly way for people to jointly work out a resolution to a dispute at the earliest stage that leaves everyone satisfied with the outcome. Over the past year a best practices review has been completed covering 20 Dispute Resolution Systems that have been developed or are currently under development in the private and public sectors across North America. This initiative reflects Leadership's commitment to strengthen our organization by introducing new approaches for the prevention and resolution of workplace disputes.

Communications

The Department and the Canadian Forces continued to improve both internal and external communications.

As a large and diverse organization with a presence across Canada and around the world, good internal communications are essential for adapting to ongoing change, effective leadership, command and control, and most importantly, morale.

Defence must also be able to communicate effectively with Parliamentarians, defence stakeholders and all Canadians - so it can explain the issues and challenges it is facing and the actions and initiatives underway to address them. This includes being as open and transparent as possible within the law.

As such, over the past year, Defence has made considerable progress on a number of communications fronts.

Maple Leaf. Defence has taken necessary steps to improve communications with Departmental and Canadian Forces personnel. Initially published monthly, our internal newspaper



- the *Maple Leaf* - is now published on a weekly basis. The past year was also significant for the *Maple Leaf*, as distribution was increased from 35,000 copies to 40,000 per print run.

Intranet/Internet. Defence has made greater use of on-line technology to communicate directly with internal and external audiences. Recent Internet and Intranet achievements include the enhancement of an internal one-stop shop for news and information for internal audiences; and the development of topical web sites that profile such areas as current Canadian Forces operations, Quality of Life initiatives and Canadian-U.S. defence relations.

Internet technology has been actively used to strengthen internal communications. Defence created the D-News network in 1999-2000 to support the co-ordination and dissemination of defence news across the country to Base and Wing newspapers. D-News allows journalists and writers across the CF to share stories, imagery and information to enhance their stories and increase the sharing of information.

Defence's Outreach Program. Outreach has become vital for Defence. As such, Defence has established regional public affairs offices in Halifax, Montreal, Toronto, Calgary and Vancouver to identify, generate and support opportunities for the Department and the Canadian Forces to engage Canadians in defence matters.

Canadian Military Journal. In an effort to promote further public and scholarly debate of defence-related issues, the Minister created a departmentally-funded military journal with its own editorial board, based at the Royal Military College (RMC) in Kingston.

The first issue of the Canadian Military Journal was published in April 2000. This quarterly, bilingual publication provides a forum for open discussion and the free exchange of critical ideas about defence issues and military matters. It is designed to further enhance the continuing development of the profession of arms in Canada and, as it is available to the public at large, to enhance transparency and to better inform Canadians of defence policy issues and initiatives.

Policy Forums. It is the policy of the Government of Canada to pursue and promote consultations with Canadians in order to assist in the development of public policy and in the design of programs and services. Public consultations encourage a sense of openness and transparency in the decision-making process and ensure that departmental policy makers are exposed to a broad range of perspectives.

In keeping with this Government-wide commitment, the Department of National Defence sponsors policy forums that are designed to encourage informal, free-ranging discussion on important policy issues. In 1998, the Department sponsored four regional policy seminars focusing on the future of the Canadian Forces 2010 and beyond.

Four regional policy forums took place in 1999-2000, with a focus on the Canada-United States defence relationship.

New Publications and Public Reports. Defence has also strengthened major reports and publications by making them more relevant, understandable and candid. Key reports in 1999-2000 include:

- *Defence Performance and Outlook 2000*;
- the *Chief of the Defence Staff Annual Report* and video; and
- the *Report on Plans and Priorities 2000*.

Access to Information. The number of formal requests for information received by the Department of National Defence under the *Access to Information Act* (AIA) has steadily increased over the past few years.

The Information Commissioner recently released a Special Report to Parliament including a report card on Defence's compliance with response deadlines under the AIA. While this report assigned a low grade to the department, it did recognize that "the department has made progress in meeting the time requirements of the Access to Information Act."

Over the past year we have taken the following steps to address the shortcomings in response times to AIA requests:

- refining the team structure for dealing with Access to Information requests and have corrected inequities in workload distribution;
- beginning a proactive management of individual case files. This practice has yielded immediate results and has resulted in over 81% of Access requests being completed on time;
- dealing with more requests informally (28% more this year over last), thus improving response times and increasing public access to the Department; and
- using automated working tools (particularly an electronic tracking system) to increase efficiency and response times. The Department is exploring ways to make even better use of this technology to improve its AIA performance.

Defence continues to improve compliance with the Access to Information requirements. While the number of requests has increased, fiscal year 1999-2000 represents the first period in a number of years during which Defence has made positive inroads in addressing its backlog of AIA cases.

Defence also received 6,579 requests for personal information under the *Privacy Act*. We aggressively targeted our longstanding backlog of *Privacy Act* requests during 1999-2000 by establishing a team dedicated to address them. This resulted in a reduction of unanswered requests from in excess of 4,000 in April 1998 to some 700 at the end of March 2000.

Management Priorities

A series of personnel, financial and other management challenges are being addressed simultaneously by the Department and the Canadian Forces.

As Canada's largest federal organization, it is imperative that Defence help set the standard with respect to the management and administration of public funds. A number

of important initiatives have been undertaken in recent years as part of the overall effort to continue providing Canadians with value for their defence dollar.

Universal Classification Standard. The Department of National Defence and the Public Service have been implementing the Universal Classification Standard (UCS) for two years.

The current classification system is over 30 years old. It requires 72 different classification standards, one for each occupational group. This makes our classification system overly complex, inconsistent and costly. It creates obstacles to employee mobility and managerial flexibility and makes it difficult to compare the value of different types of work.

The UCS provides us with one tool for comparing the internal relative value of all Public Service work using a common set of measurements. It will replace the current standards and will measure work according to contemporary workplace values. Over the past year we have concentrated our efforts on the writing and evaluation of work descriptions as well as a comprehensive training module for employees and managers.



Modern Comptrollership. As one of twelve pilot departments, Defence is developing a Modern Comptrollership Action Plan that will move the Department toward a modern management agenda.

The Department conducted a baseline capacity check that identified thirteen priority areas for improvement: communications; streamlining the planning process; clarifying roles and responsibilities; developing appropriate performance measurements; training in modern management practices; integrating and co-ordinating corporate-level information systems; implementing an enterprise-wide risk-management initiative; reviewing functional support capabilities; and introducing a system of smarter control mechanisms. For more information please refer to page 25.

Alternative Service Delivery. The Department has adopted Alternative Service Delivery (ASD) as a valuable component of the Department's efforts to rethink the way it conducts business in a climate of fiscal restraint. It allows the Department to focus its scarce resources on its core business—military operations—while leaving the provision of support services to internal or external service providers.

Thus far, the Department has completed 20 ASD initiatives representing a value of \$202 million worth of non-core activities. It is estimated that these initiatives have resulted in \$62 million of recurring annual savings.

Future Challenges

In addition to contending with fiscal constraints and a high operational tempo, the Canadian Forces must respond to a number of major military challenges.

Defence has made great strides in recent years in enhancing the effectiveness of its core, military capabilities. It has improved the quality of life of Canadian Forces personnel and that of their families, increased the standards of education and training throughout the institution, strengthened leadership at all levels, and purchased state-of-the-art equipment such as the *Coyote* reconnaissance vehicles and *Victoria* class submarines.

However, in order to remain relevant and effective in the future, Defence must adapt to the changes that are reshaping its environment.

The Canadian Forces have been asked to sustain significant and simultaneous overseas commitments in multiple theatres around the world. While progress has been made to reduce the overall number of troops currently deployed abroad, the high tempo of operations experienced in the 1990s is expected to continue into the foreseeable future.

In addition to causing pressure on our troops, frequent international deployments have also placed a strain on our capital equipment. Indeed, significant portions of the Canadian Forces equipment inventory are ageing rapidly.

Also significant is the changing nature of military operations. Operations are becoming more complex, demanding and dangerous. As witnessed in Kosovo, new technologies are having a dramatic impact on weapons, equipment and how military operations are conducted. Moreover, when serving abroad, the Canadian Forces are increasingly at the centre of large networks of players involved in conducting peace operations, supporting law and order, and providing emergency relief and humanitarian aid.

The Canadian Forces have also had to adjust to changing realities at home. Canadian demographics are changing and competition for skilled labour is creating significant pressures on Defence's ability to recruit and retain qualified people.

In addition, maintaining our current infrastructure places additional pressure on our resources. Despite significant infrastructure reductions and base closures during the downsizing of the 1990s, Defence continues to occupy more than 45% of the federal government's total floor space. More than 44% of Defence's realty assets are now over 40 years old. Like the capital program, however, Defence has been unable to devote sufficient funds to adequately maintain this infrastructure in the longer term.

A Strategy for the Future. In adapting to change, Defence has a responsibility to maximize Canada's return on its defence investments. This means managing resources prudently, with a longer-term perspective on the future.

Maintaining a balance in Defence investments is vital. Today's operational requirements must be balanced against the need to sustain and modernize Canada's defence capabilities for tomorrow. Also important is the need to maintain an appropriate balance between our investments in people, equipment and operations. The most modern

military equipment is ineffective unless you have the appropriate munitions and well-trained people to operate it.

To help achieve this balance and guide longer-term defence planning, Defence has developed *Shaping the Future of Canadian Defence: Strategy 2020*. *Strategy 2020* is a broad framework on how to best meet Canada's current defence commitments while adjusting to emerging defence issues. Based on the Government's defence policy, it articulates broad, strategic objectives that must be met if Canada is to continue to play an active role in promoting international peace, stability and human security.

At its core, *Strategy 2020* emphasizes principles such as interoperability, global deployability, modernization and re-investment in our people. These objectives are interconnected and must be achieved to ensure the long-term relevance of the Canadian Forces.

Sustaining Operations. In preparing for the future, Defence must continue to sustain its current commitments at home and abroad. While the Government has reduced Canada's overseas commitments, the operational tempo currently being sustained by the Canadian Forces remains high.

From 1948 to 1989, the Canadian Forces were involved in 25 international operations. Since 1990, they have deployed on 65 missions around the world, 32 of which have taken place in the past two years alone. It is likely that the Canadian Forces will be called upon to do even more in the decade ahead.

In order to alleviate the pressure caused by the current tempo of operations, Defence has taken steps to improve the overall efficiency and sustainability of the Canadian Forces. For example, Defence has out-sourced certain elements of the Canadian Forces combat support capability.

Reserves. Defence is also taking action to enhance the Reserves. The Reserves are a vital component of Canada's military capability, and have an important role to play in alleviating current operational pressures.

As such, efforts are now underway to revitalize and restructure Canada's Reserve Force. Pursuant to a request from the Minister of National Defence, a committee was established to report on Reserve restructure and leadership issues. The committee's final report raises a number of issues and will provide broad direction for the Land Force Reserve Restructure. A capable Reserve Force is vital to the overall affordability, sustainability and long-term effectiveness of the Canadian Forces.

Enhancing Operational Capability. In addition to sustaining current operations, Defence must also ensure that the Canadian Forces have the core capabilities they need for the future. In the emerging security environment, it is clear that some defence capabilities are becoming more relevant – such as rapid reaction, global deployability and interoperability – while others are becoming less so.

As demonstrated in Kosovo, Canada continues to be well-served by multi-purpose, combat-capable forces. Clearly, only combat-capable forces have the flexibility required to engage effectively in activities across the spectrum of conflict, from enforcing international sanctions and deterring aggression, to participating in humanitarian assistance and disaster relief operations.

Given the duration, level of intensity, and cooperation required during the Kosovo conflict, Defence planners were able to draw a number of significant lessons from the operation. For example, our experiences in Kosovo and other operations demonstrated that the Canadian Forces:

- require a **strategic lift – both sea and airlift – capability** to improve their mobility and ability to respond quickly and efficiently to trouble spots throughout the world;
- need a **strategic aerial refuelling capability** to contribute effectively to international peace, stability and human security;
- have **benefited greatly from their extensive training** experience with Canada's allies; and
- must **modernize and upgrade equipment to remain interoperable** with our NATO allies and in a UN coalition operation.

Interoperability

If Canada's contribution to international peace, stability, and human security is to remain meaningful, the Canadian Forces must be interoperable with Canada's military allies in coalition contexts such as Kosovo and East Timor.

Interoperability means more than having identical or compatible equipment; it encompasses an understanding of each other's policy, doctrine and equipment. It is an ongoing process dependent upon the training, education and flexibility of Canadian Forces personnel. In Kosovo, East Timor, and with the Standing Naval Force Atlantic, the Canadian Forces have demonstrated their ability to interoperate with Canada's allies.

It is especially important that the Canadian Forces remain interoperable with their U.S. counterparts. Not only do the two forces cooperate closely in the defence of North America, but as partners in NATO they also work together in a broad range of operations throughout the world. The Permanent Joint Board on Defence and the Military Cooperation Committee both provide venues for ensuring interoperability between the two military forces.

The Defence Capabilities Initiative will help to modernize our forces in conjunction with our NATO allies. Over the past year, Defence has played an important role in support of this initiative, the aim of which is to improve interoperability among NATO allies and, where applicable, with Partnership for Peace forces. This initiative supports NATO's European Security and Defence Identity and is an important step in strengthening Europe's role in NATO.

Canada-United States Relations. Canada and the United States share what is probably the most extensive and mutually beneficial defence relationship in the world. While the NORAD agreement was renewed this past year, other significant defence issues will need to be addressed in the months and years ahead.

One such issue is the U.S. National Missile Defense (NMD) program. This program seeks to defend against a limited number of ballistic missiles aimed at U.S. territory. The Government of Canada has not taken any decision on participation or non-participation in the program, nor will it do so until the U.S. itself takes a decision on the deployment of the system. In the meantime, Canadian officials have been engaged in consultation with the U.S. and other allies to explore a number of issues. These include potential costs of the system, whether command of the NMD system would rest with NORAD or some other similar arrangement, and the potential impact NMD might have on arms control treaties and agreements.

Informal dialogue with American authorities has been initiated to further Canada's understanding of NMD and its possible implications, with a view to creating a forum for ongoing consultation.

Revolution in Military Affairs. The Revolution in Military Affairs (RMA) represents the most significant long-term challenge in positioning Defence for the future. There is no question that the RMA will have an impact on the men and women of the Canadian Forces, their operations and activities, and on the military capabilities needed for the future.

Assessing the best way to incorporate and take advantage of the RMA has become an important force development issue for the Canadian Forces. At this early stage in the RMA, it is essential for Defence to encourage the free flow of ideas and prepare its personnel for the challenges ahead. The Strategic Capability Planning Working Group has overall responsibility for coordinating all joint RMA activity and continues to stimulate debate on the issue. For example, a three-day symposium was held to explore Concept Development and Experimentation (Modelling and Simulation), all important aspects of RMA.

Conclusion

In moving forward, Defence must sustain operations today and make the investments needed to ensure Canada has the defence capabilities it needs for tomorrow and the future.

Whether helping to secure peace in Kosovo, providing humanitarian assistance after the earthquake in Turkey, or preparing to assist communities in need during the transition to the Year 2000, the men and women of the Department and the Canadian Forces continued to make a difference at home and abroad.

At the same time, Defence enhanced the effectiveness of its core, military capabilities. It has improved the quality of life of Canadian Forces personnel, enhanced leadership at all levels, increased the standards of education and training, and strengthened the capital equipment program. Indeed, with these initiatives and two consecutive years of funding increases, Defence is now building on a stronger foundation for the future.

The world, however, continues to change and the Department and the Canadian Forces must adapt.

In adapting to change, Defence has a responsibility to maximize Canada's return on its defence investments. This means managing resources prudently and ensuring a better

balance in investments between current operations and future requirements. It also means maintaining an appropriate balance between our investments in people, equipment and operations.

To help guide longer-term planning, Defence has developed *Strategy 2020*, which articulates broad objectives that must be met if Canada is to continue to play an active role in promoting international peace, stability and human security. *Strategy 2020* emphasizes the need for the Canadian Forces to be interoperable with Canada's principal allies, able to deploy quickly and efficiently to trouble spots to support peace and humanitarian operations, and capable of operating effectively across the spectrum of conflict.

Ultimately, Defence has a strategy and is moving forward to better position the Canadian Forces for the challenges ahead.

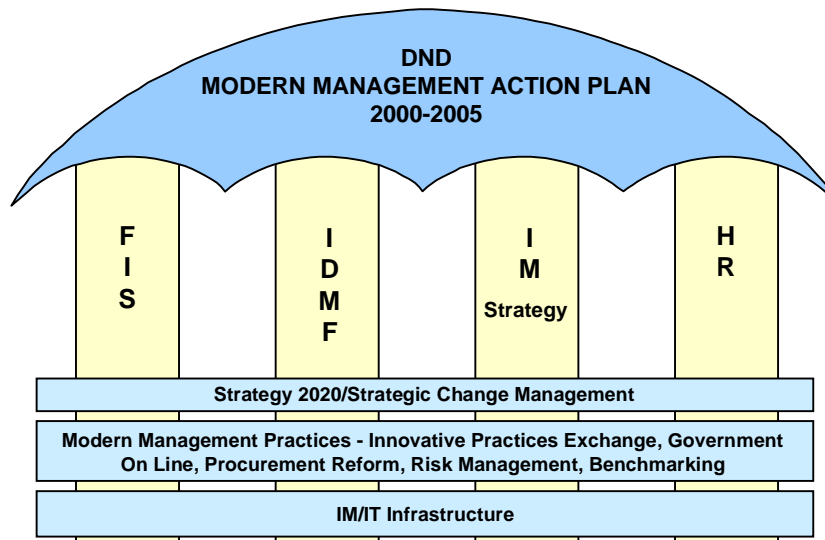
PART III — CONSOLIDATED REPORTING

Modernizing Comptrollership

As one of twelve, originally six, pilot departments, DND is developing a Modern Comptrollership Action Plan which will move the Department toward a modern management agenda.

DND conducted a baseline capacity check that identified thirteen priority areas for improvement: communications, streamlining the planning process, clarifying roles and responsibilities, developing appropriate performance measurements, training in modern management practices, integrating and co-ordinating corporate-level information systems, implementing an enterprise-wide risk-management initiative, reviewing functional support capabilities, and introducing a system of smarter control mechanisms.

In light of high workloads identified in the Public Service survey and DND's own D2000 survey, the Department decided to build upon key management initiatives already underway, rather than launching new projects. The four pillars of the Modern Management Action Plan are the Financial Information Strategy (FIS), the Integrated Defence Management Framework (IDMF), the Information Management (IM) Strategy, and Human Resources (HR) initiatives. We will primarily address the first seven areas of opportunity listed above as well as providing a focus on smarter control mechanisms. A key commitment has been made to managing the integration of the four pillars of modern management through a governance structure led by the DM.



Procurement and Contracting Practices

Exercising its own authorities, as well as those delegated to it by the Minister of Public Works and Government Services Canada, National Defence contracts directly for goods and services required to support Departmental and Canadian Forces activities.

To strengthen its contracting management framework, the Department has taken a number of positive steps. These include:

- the publication of clear policy direction to guide contracting in general, as well as specific direction on contracting for services, local procurement practices, and the use of acquisition cards;
- the establishment of a senior advisory committee to exercise oversight over contracting activity;
- work conducted with the Treasury Board Secretariat and other departments to improve contracting processes; and
- continuing its program of training personnel in procurement and contracting.

CONTRACTOR SUPPORT OF CONTINGENCY OPERATIONS

Two initiatives were developed to provide enhanced contractor support to contingency operations. The first was the Logistics Civilian Contractor Augmentation Support Program, an initiative to provide backup support to Canadian Forces Units deployed for Operation ABACUS. The second initiative is the Bosnia Contractor Support Program, a two year (plus optional third year), \$83 million program to replace some military members of the National Support Element of the Canadian Forces Task Force Bosnia-Herzegovina with contracted personnel. The initiatives are the precursor to the Canadian Contractor Support program, which is being established to integrate Canadian contractor support into Canadian Forces support to contingency operations.

Matériel Management

YEAR 2000 COMPLIANCE

The major focus for matériel management in fiscal year 1999-00 was meeting the challenges posed by the need to attain Year 2000 compliance.

At the same time, the Matériel Group supported Canadian Forces operations abroad as well as Operation ABACUS, the operation to provide aid to the civil power in the event of disruptions caused by the Year 2000 rollover. The development of plans to deliver this aid to other federal departments, provincial governments and non-government organizations was successfully completed, including the redesign of the Logistics Operations Management System and the establishment of a Logistics Civilian Augmentation Support organization. Additionally, National Defence identified and made preparations to meet matériel requirements to sustain Canadian Forces operations abroad during the critical 90-day period from 1 December 1999 to 1 March 2000.

The Year 2000 Compliance Program and Operational Readiness Program identified all mission critical and non-mission critical assets with computer components, established databases describing the characteristics of these systems and monitored the progress of individual system assessments. The databases are the System and Project Inventory Network (SPIN) for Assistant Deputy Minister (Matériel) assets and IW2000 for Defence-wide assets. At the end of the Year 2000 program, the SPIN database contained close to 3,000 items. The Year 2000 program also reviewed, updated, and, where appropriate created, a Business Continuity Plan (BCP) for each major system. The BCPs identified functional and business risks, minimal acceptable service levels, risk mitigation strategies and contingency plans. This helped sustain operational effectiveness.

FINANCIAL INFORMATION STRATEGY

Although Defence has a number of systems in place for equipment and matériel management that deal with mission critical items, life cycle support, costs, maintenance and other matériel related issues, they are dispersed stand-alone systems. It would not be practical to implement the Financial Information Strategy (FIS) using these varied systems. As National Defence moves towards the implementation of FIS, it is purchasing two new systems to deal with integrating asset management: the Matériel Acquisition and Support Information System (MASIS) and the Canadian Forces Supply System Upgrade (CFSSU). These two systems are now in their implementation stages, and were subject to the Treasury Board Risk Assessment process for capital projects.

Through the implementation of the MASIS, Defence has made significant progress in improving the management of matériel in accordance with the FIS. MASIS will provide complete visibility of equipment assets, including the total life cycle costs accrued, from acquisition to disposal. As an example, all costs associated with the acquisition of equipment will be capitalized and amortized over its useful life. Improvements to capital equipment that are subsequently implemented will also be capitalized and amortized. This accounting will take place in a seamless and transparent manner, thereby ensuring greater accuracy in information without imposing an onerous reporting burden. Finally, by working in tandem with the Canadian Forces Supply System Upgrade, MASIS will provide the visibility of assets and inventory needed to support matériel reporting requirements in a FIS-compliant manner.

Sustainable Development Strategy

Fiscal year 1999-00 is the second year of the three-year period covered by the current Sustainable Development Strategy (SDS). The integration of environmental considerations into the departmental management framework continues, and the navy, army and air force have environmental management systems in place.

Defence has made significant progress towards meeting the sustainable development commitments outlined in *Environmentally Sustainable Defence Activities, A Sustainable Development Strategy for National Defence, December 1997* (www.dnd.ca/admie/dge/sds/sds1_e.htm). The department remains committed to addressing significant environmental issues. To this end, 22 measurable targets are to be achieved. The targets are:

<p>A.1.1 Training area management plans that protect rare and endangered species, wetlands, and critical habitat are initiated at selected training areas by 2000. At the end of fiscal year 1999-00, all of the selected training areas have initiated these plans. This target has been met.</p>
<p>A.2.1 Natural resource management plans that protect rare and endangered species, wetlands, and critical habitat are initiated at selected training areas by 2001. At the end of fiscal year 1999-00, all of the selected training areas have initiated these plans. This target has been met.</p>
<p>A.2.2 Pesticide use is to be reduced by 50% from 1993 levels by 2003. Seventy-six percent of DND sites reported 6,178 kg (active ingredient) of pesticides used in fiscal year 1999-00. Target progress cannot be assessed, as a 1993 baseline could not be established. This target will be included in a new Integrated Pest Management target in SDS 2001.</p>
<p>A.3.1 A planning tool for noise at airfields, helicopter landing areas, small-arms ranges, and artillery ranges is to be produced by 1999. This target has not been met. The department is assessing the requirement for additional noise planning models.</p>
<p>B.1.1 Treated water consumption in infrastructure is to be reduced by 20% from 1989-90 levels by 2001. In fiscal year 1999-00, 24.7 billion litres of water were consumed, a 65% reduction from the fiscal year 1989-90 baseline of 60 billion litres. This target has been exceeded.</p>
<p>B.2.1 Solid waste sent to landfills is to be reduced by 10% from 1997 levels by 2000. Fifty-five percent of DND sites reported 30,431 tonnes of solid waste were sent to landfill in fiscal year 1999-00. This represents, for these sites, a 15% reduction from their fiscal year 1997-98 baselines of 35,761 tonnes.</p>
<p>B.2.2 Construction and demolition projects where the floor area exceeds 2000m² are to be included in waste reduction plans. In fiscal year 1999-00, 48% (25 of 52) of construction and demolition projects of this scale incorporated waste reduction plans.</p>
<p>B.3.1 Liquid and solid waste streams from ships are managed to be compatible with applicable standards by 2001. At the end of fiscal year 1999-00, all ships were compatible with applicable standards through a combination of refitting with new waste treatment systems and/or incorporating new operational procedures. This target has been met.</p>
<p>B.3.2 Sewage treatment plant (STP) and storm sewer discharges are compatible with applicable standards by 2000. In fiscal year 1999-00, STPs met applicable standards over 87% of the time. Fifty-three percent of storm sewage discharge points have been found to be within applicable standards. Work is ongoing to determine compliance of the</p>

remaining discharge points.			
C.1.1 <i>The number of specified high-risk hazardous materials used is to be reduced by 5% per year. To date, 55 of the 106 identified high-risk products (52%) have been eliminated from the department's supply system. This target has been exceeded.</i>			
C.1.2 <i>Polychlorinated biphenyls (PCBs) are sent for destruction as they are phased out. In fiscal year 1999-00, 47 tonnes of PCB solids and 4,261 litres of PCB liquids were removed from service. In addition, with the re-opening of Canada's destruction facility, DND was able to send 88 tonnes of PCB solids and 10,940 litres of PCB liquids (from storage) for destruction. This target has been met.</i>			
C.1.3 <i>A downward trend in the quantities of hazardous waste sent for disposal is to be demonstrated. In fiscal year 1999-00, 148,804 tonnes of solid hazardous waste and 3.5 million litres of liquid hazardous waste were sent for disposal, an increase from last year.</i>			
C.1.4 <i>Fuel storage tanks are to be brought into compliance with federal guidelines and schedules. At the end of 1999, departmental records show the number of DND tanks registered in accordance with federal guidelines:</i>			
Tank type	Tanks registered	Tanks in compliance with federal guidelines	Tanks not in compliance with federal guidelines
Aboveground	1192	931	261
Underground	211	161	50
C.2.1 <i>Contaminated sites are to be identified and remediated or risk-managed by 2001. Of the 912 contaminated sites, 107 (12%) have been remediated and 379 (42%) are being risk-managed. The remaining sites are under remediation or investigation.</i>			
C.3.1 <i>A downward trend in the number and volume of reportable spills is to be demonstrated. In fiscal year 1999-00, 418 spills released 274,597 litres of material, a decrease in the volume from the previous year.</i>			
D.1.1 <i>Products or equipment containing ozone-depleting substances (ODSs) are to be phased out based on economic, environmental, and operational considerations. In fiscal year 1999-00, 70% of sites reported that 44 tonnes of ODP-weighted ozone-depleting substances remain in service.</i>			
D.1.2. <i>A downward trend in ozone-depleting potential of reportable releases of Ozone Depleting Substances is to be demonstrated. One hundred and seventy incidents resulted in the release of 4.1 tonnes of ozone-depleting potential (ODP). This represents a reduction in ozone depleting substances of 26% from last year, showing progress towards an overall downward trend.</i>			
D.1.3 <i>Halon use is to be limited to essential military requirements (ships, planes, and armoured fighting vehicles). In fiscal year 1999-00, a total of 6,116 kg of halon was removed from infrastructure, with 205 kg remaining.</i>			
D.2.1 <i>Vehicles are to be maintained to meet manufacturers' specifications for fuel consumption. In fiscal year 1999-00, 7,392 vehicles in the commercial fleet were driven 79.3 million km, consuming almost 14.4 million litres of fuel.</i>			
D.2.2 <i>Energy consumption in infrastructure is to be reduced by 15% from 1989-90 levels by 2001. In fiscal year 1999-00, 12.0 million gigajoules (GJ) of energy were consumed, a 25% reduction from the fiscal year 1989-90 baseline of 16.3 million GJ. This target has been exceeded.</i>			
E.1.1 <i>Cultural and heritage, sites artifacts, and monuments are to be incorporated in selected training area management plans by 1999. By the end of fiscal year 1999-00, all selected training areas have included this direction. This target has been met.</i>			
E.2.1 <i>Heritage buildings are to be preserved. The initial assessment process to assign a Facility Condition Index value to each heritage building is ongoing. Target progress cannot be determined until after the second round of assessment.</i>			

Storage Tanks

As required under the CEPA, Part IV, *Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands Regulations*, this report provides the information set out in Schedule II of the aforementioned regulation, updated to December 31, 1999.

1. Of the 1192 above-ground storage tank systems registered with Defence:
 - 931 comply with the *Federal Aboveground Storage Tank Technical Guidelines*, 261 do not.
 - 75 should be upgraded in 2000, in accordance with Schedule I of the *Federal Aboveground Storage Tank Technical Guidelines*.

2. Of the 851 underground storage tank systems registered with Defence (211 of which are DND-owned, 640 non-DND-owned at located at CFB Suffield):
 - 161 of the DND-owned tanks comply with the *Federal Underground Storage Tank Technical Guidelines*.
 - 50 of the DND-owned tanks do not comply with the *Federal Underground Storage Tank Technical Guidelines*.
 - 0 of the DND-owned tanks should be upgraded in 2000, in accordance with Schedule II of the *Federal Underground Storage Tank Technical Guidelines*.

PART IV — FINANCIAL PERFORMANCE

Summary of Voted Appropriations

Financial Requirements by Authority (\$ millions)				
Vote		1999-00 <u>Main Estimates</u>	1999-00 <u>Total Authorities</u> ¹	1999-00 <u>Actual</u>
	Defence Services Program			
1	Operating Expenditures	6,995.4	8,036.9	7,891.1
5	Capital Expenditures	2,026.6	2,375.7	2,272.4
10	Grants and Contributions	553.7	545.7	375.2
(S)	Minister of National Defence - Salary and motor car allowance	0.0	0.1	0.1
(S)	Pensions and annuities paid to civilians	0.1	0.1	0.1
(S)	Military pensions	564.5	760.0	760.0
(S)	Contributions to employee benefit plans	164.2	189.4	189.4
(S)	Spending of proceeds from the disposal of Crown assets		32.9	32.9
(S)	Federal Court Awards		0.4	0.4
(S)	Collection Agency Fees		0.0	0.0
	Total Department	10,304.5	11,941.3	11,521.7

1. Main Estimates, Supplementary Estimates, proceeds from the sale of surplus assets and other transfers.

Departmental Planned Spending versus Actual Spending

(\$ millions)						
Service Line	Actual 1996-97 ¹	Actual 1997-98 ¹	Actual 1998-99 ¹	Total Planned 1999-00	Total Authorities 1999-00	Actual 1999-00 ¹
Maritime Forces	2,071.3	1,978.8	2,099.5	1,854.8	2,081.6	2,035.9
Land Forces	2,994.9	2,889.9	2,994.6	2,969.7	3,553.1	3,435.9
Air Forces	2,530.5	2,433.9	2,613.0	2,590.2	2,647.3	2,648.2
Joint Operations and Civil Emergency Preparedness	285.2	488.6	762.0	746.5	1,147.6	976.3
Communications and Information Management	367.0	334.1	239.6	402.4	374.5	354.7
Support to the Personnel Function	881.0	862.1	483.1	836.0	828.4	814.9
Material Support	864.1	736.4	658.0	694.4	782.6	743.2
Department/Forces Executive	579.0 ²	463.4	406.6	487.1	526.2	512.6
Total	10,573.0	10,187.2	10,256.5	10,581.1	11,941.3	11,521.7

1. Includes the spending of proceeds from the sale of surplus assets.
2. Transfer payments associated with Emergency Preparedness Canada are incorporated into the figures for Department/Forces Executive for 1996-97 in accordance with the presentation contained in Estimates documents and the Public Accounts for that year.
3. 1998-99 actual costing in the Defence Model was inaccurate in the case of personnel costs due to difficulties with data feeder systems.

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**Comparison of Planned Spending to Actual Spending by Service Line
Fiscal Year 1999-2000 (\$ Millions)**

Service Line		Operating	Capital	Voted Grants and Contributions	Subtotal: Gross Voted Expenditures	Statutory Grants and Contributions	Total Gross Expenditures	Less: Revenue Credited to the Vote	Total Net Expenditures
Maritime Forces	-Main Estimates	1,560.0	273.7	---	1,833.7	---	1,833.7	21.1	1,812.6
	-Total Authorities	1,669.9	433.5	---	2,103.4	---	2,103.4	21.8	2,081.6
	-Actuals	1,644.0	414.5	---	2,058.5	---	2,058.5	22.5	2,036.0
Land Forces	-Main Estimates	2,232.9	791.8	---	3,024.7	---	3,024.7	128.3	2,896.4
	-Total Authorities	2,649.2	1,022.1	---	3,671.3	---	3,671.3	118.2	3,553.1
	-Actuals	2,606.2	977.6	---	3,583.8	---	3,583.8	147.9	3,435.9
Air Forces	-Main Estimates	1,979.1	669.1	---	2,648.2	---	2,648.2	120.3	2,527.9
	-Total Authorities	2,320.7	456.6	---	2,777.3	---	2,777.3	130.0	2,647.3
	-Actuals	2,376.6	437.2	---	2,813.8	---	2,813.8	165.6	2,648.2
Joint Operations and Civil Emergency Preparedness	-Main Estimates	277.0	81.9	383.3	742.2	---	742.2	2.9	739.3
	-Total Authorities	673.8	92.6	384.5	1,150.9	---	1,150.9	3.3	1,147.6
	-Actuals	672.4	88.5	219.3	980.2	---	980.2	3.9	976.3
Communications and Information Management	-Main Estimates	310.8	83.9	---	394.7	---	394.7	2.6	392.1
	-Total Authorities	269.5	105.8	---	375.3	---	375.3	0.8	374.5
	-Actuals	254.6	101.1	---	355.7	---	355.7	1.0	354.7
Support to the Personnel Function	-Main Estimates	748.5	50.5	0.3	799.3	17.1	816.4	16.2	800.2
	-Total Authorities	715.6	107.1	0.3	823.0	14.9	837.9	9.5	828.4
	-Actuals	706.9	102.7	0.0	809.6	14.9	824.5	9.7	814.8
Material Support	-Main Estimates	609.7	66.8	4.7	681.2	---	681.2	3.6	677.6
	-Total Authorities	652.9	128.6	4.7	786.2	---	786.2	3.6	782.6
	-Actuals	625.2	122.8	0.0	748.0	---	748.0	4.8	743.2
Department/Forces Executive	-Main Estimates	299.4	8.9	165.4	473.7	---	473.7	15.3	458.4
	-Total Authorities	363.7	29.4	156.3	549.4	---	549.4	23.2	526.2
	-Actuals	357.2	28.1	155.9	541.2	---	541.2	28.6	512.6
Totals	-Main Estimates	8,017.4	2,026.6	553.7	10,597.7	17.1	10,614.8	310.3	10,304.5
	-Total Authorities	9,315.3	2,375.7	545.8	12,236.8	14.9	12,251.8	310.4	11,941.3
	-Actuals	9,243.1	2,272.5	375.2	11,890.8	14.9	11,905.7	384.0	11,521.7

**Departmental Revenues/Revenues Credited to the General
Government Revenues**
(\$ Millions)

	Actual 1995-96	Actual 1996-97	Actual 1997-98	Actual 1998-99	Total Planned 1999-00	Total Authorities 1999-00	Actual 1999-00
Departmental Revenues	367.8	401.7	366.6	363.0	310.3	310.3	384.1
General Government Revenues	99.4	111.0	282.1	100.2	10.0	17.0	102.2
Total	467.2	512.7	648.7	463.2	320.3	327.3	486.3

**Transfer Payments by Service Line
(\$ Millions)**

Service Line	Actual 1996-97	Actual 1997-98	Actual 1998-99	Total Planned 1999-00	Total Authorities 1999-00	Actual 1999-00
GRANTS						
Maritime Forces						
Land Forces						
Air Forces						
Joint Operations and Civil Emergency Preparedness	0.0	0.1	0.1	0.1	0.1	0.1
Communications and Information Management						
Support to the Personnel Function	0.1	0.1	0.1	0.1	0.1	0.1
Material Support	0.0	0.0	0.1	0.0	0.0	0.0
Department/Forces Executive	10.5	10.8	3.7	3.7	3.7	3.8
Total Grants	10.6	10.9	4.0	3.9	3.9	3.9
CONTRIBUTIONS						
Maritime Forces						
Land Forces						
Air Forces						
Joint Operations and Civil Emergency Preparedness	0.0	149.2	365.9	383.2	384.4	219.3
Communications and Information Management						
Support to the Personnel Function	17.8	16.9	16.0	17.3	15.1	14.8
Material Support	0.0	0.0	3.6	5.4	4.7	0.0
Department/Forces Executive	279.7	136.8	129.7	161.0	152.6	152.1
Total Contributions	297.5	303.0	515.2	566.9	556.7	386.2
Total Transfer Payments	308.1	313.9	519.2	570.8	560.6	390.1

1. Transfer payments associated with Emergency Preparedness Canada are incorporated into the figures for Department/Forces Executive for 1996-97 in accordance with the presentation contained in Estimates documents and the Public Accounts for that year.

Capital Expenditures by Service Line
 (\$ Millions)

Service Line	Actual 1996-97	Actual 1997-98	Actual 1998-99	Total Planned 1999-00	Total Authorities 1999-00	Total Actual 1999-00
Maritime Forces	519.9	400.2	361.4	273.7	433.5	414.5
Land Forces	882.6	752.7	721.1	791.8	1,022.1	977.6
Air Forces	556.2	451.0	384.1	669.0	456.6	437.2
Joint Operations and Civil Emergency Preparedness	22.5	67.3	52.5	81.9	92.6	88.5
Communications and Information Management	63.8	53.7	55.5	84.0	105.8	101.1
Support to the Personnel Function	118.2	92.5	82.9	50.5	107.1	102.7
Material Support	255.4	159.2	78.2	69.2	128.6	122.8
Department/Forces Executive	10.7	28.4	23.0	8.9	29.4	28.1
Total	2,429.1	2,005.1	1,758.8	2,029.0	2,375.7	2,272.4

Capital Projects by Service Line

PROJECT TITLE	Currently Estimated Total Cost	Forecast Expenditures to March 31, 2000	Planned Expenditures 2000-01	Planned Expenditures 2001-02	Planned Expenditures 2002-03	Future Years Requirements
Maritime Forces						
<i>Equipment</i>						
TOWED ARRAY SONAR SYSTEM	113,075	104,905	4,845	3,325	-	-
CANADIAN PATROL FRIGATE	8,959,276	8,859,476	61,400	14,800	23,600	-
TRIBAL CLASS UPDATE AND MODERNIZATION PROJECT	1,410,433	1,396,400	11,583	2,450	-	-
NAVAL COMBAT TRAINER	33,731	19,669	6,887	7,175	-	-
MARITIME COASTAL DEFENCE VESSELS	683,700	642,500	29,500	11,700	-	-
BLIND PILOTAGE TRAINER	3,738	3,379	359	-	-	-
JUNIOR OFFICER BRIDGE SIMULATOR	16,814	14,100	1,914	800	-	-
CANADIAN SUBMARINE CAPABILITY LIFE EXTENSION	811,973	163,772	151,505	147,150	83,794	265,752
PHALANX CLOSE-IN WEAPONS SYSTEM	31,774	30,732	801	241	-	-
POLLUTION CONTROL SYSTEMS FOR SHIPS	37,937	26,783	7,817	3,337	-	-
ACTIVE PHASED ARRAY RADAR	55,241	49,084	3,443	1,432	-	1,282
INTEGRATED UNDERSEA SURVEILLANCE CENTRE	26,786	26,268	518	-	-	-
AUXILIARY VESSEL QUEST MID-LIFE REFIT	9,332	9,272	60	-	-	-
IMPROVED POINT DEFENCE MISSILE	35,215	33,029	565	834	787	-
MESSAGE HANDLING SYSTEM	7,521	5,308	800	1,413	-	-
ADVANCED ELECTRO-OPTIC SENSOR	17,282	12,212	5,070	-	-	-
SHIPBOARD ELECTRO-OPTIC SURVEILLANCE	26,883	-	1,500	3,710	9,338	12,335
REMOTING OF NAVAL RADIO STATIONS	41,368	16,232	22,270	2,866	-	-
COMMUNICATIONS - DATA LINK 16	20,313	14,716	5,597	-	-	-
COMMUNICATIONS - DATA LINK 22	6,823	5,885	883	55	-	-
SEASEARCH PROJECT	25,878	24,078	626	554	273	347
NETWORKING COMINT CAPABILITY OF IROQUOIS AND HALIFAX CLASS SHIPS	16,460	6,917	6,676	1,015	215	1,637
SHIPBOARD INTEGRATED NAVIGATION AND DISPLAY SYSTEM	4,551	4,094	457	-	-	-
IROQUOIS CLASS TRACK MANAGEMENT SYSTEM	14,136	8,455	4,489	1,192	-	-
SUB - SONIC TARGET	219	48	171	-	-	-
TOWED TORPEDO COUNTERMEASURES	16,961	-	4,628	3,990	3,877	4,466

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SHIPBOARD AREA LOCAL NETWORK	13,404	-	3,562	5,513	2,975	1,354
Land Forces						
<i>Equipment</i>						
LIGHT ARMoured VEHICLE LIFE EXTENSION	56,984	5,300	24,419	16,614	10,651	-
HOWITZER UPGRADE AND AUGMENTATION	48,935	48,435	500	-	-	-
TACTICAL COMMAND CONTROL AND COMMUNICATION SYSTEM	1,930,549	1,710,542	119,647	99,860	500	-
LAND FORCES COMMAND SYSTEM	178,400	110,222	44,503	12,626	3,196	7,853
LIGHT SUPPORT VEHICLE WHEELED	268,526	266,232	2,294	-	-	-
GRENADE PROJECTOR	13,100	8,200	2,700	1,860	111	229
SHORT RANGE ANTI-ARMOUR WEAPONS	185,959	175,928	9,990	41	-	-
LAND SOFTWARE ENGINEERING FACILITY	5,935	4,877	1,058	-	-	-
LAND TACTICAL ELECTRONIC WARFARE IMPROVEMENTS	75,900	72,518	3,382	-	-	-
FRAGMENTATION PROTECTIVE JACKETS	15,984	11,172	4,812	-	-	-
SURFACE MUNITIONS CLEARANCE DEVICE	5,691	4,949	742	-	-	0
LIGHT UTILITY VEHICLE WHEELED	225,842	2,062	2,764	51,984	60,153	108,879
CENTRAL POWER VEHICLE	11,174	2,010	4,912	2,999	1,253	-
ROLE THREE HEALTH SUPPORT	40,434	500	2,700	13,166	11,696	12,372
UNIT WEAPONS TRAINERS	30,573	26,599	2,467	1,507	-	-
LYNX REPLACEMENT PROJECT	884,216	835,073	25,000	24,143	-	-
ARMoured PERSONNEL CARRIERS	2,038,587	793,587	301,000	302,000	427,000	215,000
CLOTHE THE SOLDIER PROJECT (DEFINITION)	5,606	4,618	748	240	-	-
LIGHTWEIGHT THERMAL UNDERWEAR	3,090	2,512	578	-	-	-
WIDE BRIMMED COMBAT HAT	2,268	-	1,134	1,134	-	-
TEMPERATE UNDERWEAR	2,987	525	2,462	-	-	-
WET WEATHER BOOT	21,588	143	7,049	14,396	-	-
BALLISTIC EYEWEAR	7,003	40	15	6,948	-	-
IMPROVED ENVIRONMENTAL CLOTHING SYSTEM	62,589	48,655	8,903	2,152	-	2,879
COLD WET WEATHER GLOVE	5,903	4,232	1,671	-	-	-
LEOPARD THERMAL SIGHT	139,000	96,928	32,856	9,216	-	-
IONIZING RADIATION SAFETY	6,129	5,147	410	300	272	-
POSITION DETERMINATION AND NAVIGATION SYSTEM	69,723	57,165	9,712	2,846	-	-
IMPROVED LANDMINE DETECTION CAPABILITY	27,947	19,874	7,569	111	393	-

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HEAVY DUMP TRUCK REPLACEMENT	11,879	11,349	530	-	-	-
ARMoured PERSONNEL CARRIERS LIFE EXTENSION	234,502	62,033	29,068	40,545	50,300	52,556
Air Forces						
<i>Equipment</i>						
ELECTRONIC SUPPORT AND TRAINING SYSTEM	194,580	190,480	4,100	-	-	-
NORTH AMERICAN AIR DEFENCE MODERNIZATION	1,055,323	1,054,470	853	-	-	-
CF18 - ADVANCED AIR-TO-AIR WEAPONS (SHORT RANGE)	18,752	11,199	3,689	2,634	892	338
MILITARY AUTOMATED AIR TRAFFIC SYSTEM	147,350	41,263	17,533	32,160	18,306	38,088
CC130 - AVIONICS UPDATE	91,268	36,027	33,365	21,876	-	-
ADVANCED AIRCRAFT NAVIGATION SYSTEM	84,700	6,271	5,432	13,697	10,884	48,416
AIR FORCE COMMAND AND CONTROL INFORMATION SYSTEM	3,791	2,630	1,161	-	-	-
UTILITY TACTICAL TRANSPORT HELICOPTERS	1,163,100	992,118	50,177	68,605	52,200	-
REGION/SECTOR AIR OPERATIONS CENTRE PROJECT	136,516	79,936	20,984	10,676	4,958	19,962
STRATEGIC AIRLIFT AIRCRAFT	424,479	422,479	2,000	-	-	-
CF18 - INTEGRATED SUPPORT STATION	7006	4,958	1,648	400	-	-
HERCULES REPLACEMENT ACQUISITION	105,555	91,555	14,000	-	-	-
AIR COMBAT MANOEUVRING RANGE INSTRUMENTATION	15,452	1,206	7,154	7,092	-	-
ADVANCED AIR-TO-SURFACE MISSILES	102,437	88,380	6,561	4,000	-	3,496
8 AIR COMMUNICATION AND CONTROL SYSTEM	46,300	1,400	1,800	6,300	11,200	25,600
CANADIAN SEARCH AND RESCUE HELICOPTER	760,254	207,339	258,318	222,321	70,329	1,947
AIR FORCE SURFACE THREAT ELECTRONIC WARFARE TRAINING	24,263	16,849	5,402	2,012	-	-
AIR FORCE ENVIRONMENTAL CLOTHING STANDARDIZATION	10,700	6,627	2,643	1,430	-	-
Joint Operations and Civil Emergency Preparedness						
<i>Equipment</i>						
JOINT COMMAND, CONTROL AND INTELLIGENCE SYSTEM	17,909	12,517	2,096	-	-	3,296

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Communication and Information Management						
<i>Equipment</i>						
DEFENCE SERVER UPGRADE	7,875	5,000	2,875	-	-	-
MARCOM OPERATIONAL INFORMATION NETWORK (MCOIN)	31,987	22,987	5,000	4,000	-	-
RESTRICTED ACCESS SYSTEM	22,603	22,551	52	-	-	-
CENTRAL COMPUTATION PAY SYSTEM	33,137	31,731	1,406	-	-	-
SEARCH AND RESCUE SATELLITE	64,915	63,315	1,600	-	-	-
HIGH ARCTIC DATA COMMUNICATION SYSTEM	28,200	19,801	4,612	3,500	154	133
DEFENCE MESSAGE HANDLING SYSTEM	131,345	22,708	21,602	49,363	37,672	-
SECURITY AND MILITARY POLICE INFORMATION SYSTEM	4,718	186	3,430	-	-	1,102
CLASSIFIED ELECTRONIC KEY MANAGEMENT SYSTEM	38,360	12,605	11,515	10,855	200	3,185
INTERIM ELECTRONIC WARFARE OPERATIONAL SUPPORT CENTER	20,459	19,092	1,367	-	-	-
FINANCIAL MANAGERIAL ACCOUNTING PROJECT	23,234	16,081	4,363	-	-	2,790
ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM	3,709	2,124	1,585	-	-	-
INTEGRATED INFORMATION ENVIRONMENT DIRECTORY SERVICES	3,215	1,706	1,509	-	-	-
DWAN EXTENSION AND CONSOLIDATION	7,845	2,789	5,056	-	-	-
PROTECTED MILITARY SATELLITE COMMUNICATIONS	232,565	1,167	22,582	48,487	70,946	89,383
CANADIAN FORCES SUPPLY SYSTEM UPGRADE	289,313	237,987	36,972	14,354	-	-

Construction Projects by Service Line

Service Line	Project Number	Project Title	Base	Total Project Contracted Amount	Expended FY 99 - 00	Status *
Maritime Forces						
	--	Construct HMCS Cabot Naval Reserve Division Building	St John's	\$ 9,620,653	\$ -	C
	ES79906	Construct New Jetty, Narrows	Esquimalt	\$ 5,684,969	\$ 5,422	C
	HX70039	Construction Building "C"	Halifax	\$ 7,220,324	\$ 75,067	C
	HX72944	Operation Room Team Trainer (ORTT), S17 Stadacona	Halifax	\$ 2,572,260	\$ 88,300	C
	ES01342	Renovations to Consolidate Military Police, Building 2	Esquimalt	\$ 1,202,855	\$ 611,728	N
	ES90324	Design/Build Community Centre	Esquimalt	\$ 2,375,609	\$ 2,267,144	N
	ESJ2496	DY 100 - Post Disaster Upgrade	Esquimalt	\$ 1,700,000	\$ 1,297,585	N
	HX99527	Modify Existing Battery Charge & Discharge Systems to suit	Halifax	\$ 1,697,000	\$ -	N
	ES90005	Naval Officer Training Centre Facility, Work Point	Esquimalt	\$ 3,524,003	\$ 2,363,205	U
	ES90060	Design/Build Officers Accommodation & Mess Facility	Esquimalt	\$ 11,604,363	\$ 10,239,876	U
	ES90274	Fire Fighter Training Facility Colwood	Esquimalt	\$ 13,377,137	\$ 11,133,683	U
	HQ90028	Design/Build of the New HMCS Chippawa Naval Reserve	Winnipeg	\$ 6,056,008	\$ 5,064,576	U
	HX90101	Design-Build Fleet Fitness Facility, HMCS Dockyard	Esquimalt	\$ 4,376,691	\$ 4,013,686	U
	HX90248	Construct New Fire Fighter Training Facility	Halifax	\$ 10,903,286	\$ 9,214,384	U
Sub-Total:				\$ 81,915,158	\$ 46,374,656	
Land Forces						
	ED50143	1 PPCLI Edmonton, Building 403	Edmonton	\$ 16,492,516	\$ 25,000	C
	ED70197	Design/Build Healthcare Centre, Lancaster Park	Edmonton	\$ 4,349,560	\$ 92,356	C
	ED70207	Design/Build Community Centre, Garrison	Edmonton	\$ 2,849,844	\$ 47,268	C
	ED92910	Install Integral Heating System, Garrison	Edmonton	\$ 1,448,890	\$ 1,448,890	C
	GA50281	D/B CFSME Relocation, TP # 2	Gagetown	\$ 3,350,023	\$ 96,241	C
	GA60061	HMCS Queen Charlotte Charlottetown	Gagetown	\$ 6,768,332	\$ -	C
	GA60079	Bridge & Equipment Maintenance	Gagetown	\$ 7,432,751	\$ 121,453	C
	GA62911	Renovate/Extend Building K-15	Gagetown	\$ 2,584,760	\$ 162,783	C
	GA63222	Design/Build Construct 8 Aircraft Hangar	Gagetown	\$ 1,570,339	\$ 58,700	C

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GA70032	Dormitory/Training Facility MTSC Altantic, CFC Aldershot	Gagetown	\$	9,122,385	\$	121,731	C
GA70036	MTSC Camp Aldershot Site Development	Gagetown	\$	1,045,188	\$	-	C
GA70037	MTSC Camp Aldershot Technical Support Centre (TSC)	Gagetown	\$	7,420,903	\$	158,155	C
GA70083	MTSC Ammunition Storage Facility	Gagetown	\$	2,019,333	\$	-	C
GA70172	500 Man Dining Hall MTSC Aldershot	Gagetown	\$	5,170,495	\$	168,590	C
GA70173	Simulator Training Facility MTSC Aldershot	Gagetown	\$	2,805,155	\$	-	C
HQ90030	Rifle Range Expansion Garrison	Edmonton	\$	1,250,331	\$	19,310	C
HQ90046	Building A, Victoria Park Sydney Garrison	Halifax	\$	4,545,737	\$	1,652,505	C
KN70002	IRIS/TCCCS Training Facility Phase 2	Kingston	\$	2,556,875	\$	330,000	C
ML70050	Construction du QG Metropolitain, Garnison	Montreal	\$	6,178,887	\$	-	C
MN50218	Consolidation of Site Services, CFB Moncton	Gagetown	\$	1,566,411	\$	-	C
PA60035	Light Infantry Battalion	Petawawa	\$	11,157,908	\$	4,767	C
SD82909	Design/Build Challenger II Support Facility Building	Suffield	\$	2,570,877	\$	699,111	C
VR45910	Aménagement site et batiments camp d'été de la milice	Valcartier	\$	8,656,513	\$	12,028	C
VR60165	Construction du dortoir CSEM #2	Valcartier	\$	8,720,759	\$	-	C
VR70040	Complexe d'Approv. de la Base 5ième BSC	Valcartier	\$	6,981,576	\$	5,804	C
WA25110	Extension and Renovations to Operations Building	CFSU (Ottawa)	\$	20,559,881	\$	-	C
WR60125	Construct New Food Services Complex	Wainwright	\$	9,696,364	\$	18,871	C
WR90006	Design/Build MTSC Dorm #2 and Staff Quarters	Wainwright	\$	11,971,550	\$	5,090,235	C
WR90027	Design Build Classroom Briefing Facility	Wainwright	\$	2,220,136	\$	843,267	C
NBT82910	Relocation of Small Arms Ranges, Phase I	Gagetown	\$	2,349,470	\$	243,672	C
ED00078	Design and Construction of an Extention	Edmonton	\$	2,388,557	\$	1,059,143	N
ED00224	Pool renovation/extension and Arena Renovation	Edmonton	\$	2,276,440	\$	436,232	N
HQ90277	Gym and Pool Addition and Renovation	Gagetown	\$	9,870,065	\$	3,841,223	N
KN00004	Design Build - Kingston Military Community Sports	Kingston	\$	12,159,238	\$	425,478	N
KN00240	Construct Military Community Center	Kingston	\$	1,826,140	\$	233,773	N
KN00269	Design/Build Dormitory, RMC	Kingston	\$	10,376,473	\$	636,087	N
KN99905	Renovate Grant Building, Building B-38, McNaughton	Kingston	\$	1,074,026	\$	1,074,026	N
LF90810	Construct Kitchener Armoury, Knowlwood Park	Kingston	\$	1,062,342	\$	1,061,742	N
ML91103	Replace Electrical Distribution System	Montreal	\$	1,735,972	\$	1,082,552	N
PA90278	Design and Construction Project-Gymnasium	Petawawa	\$	8,647,496	\$	6,229,951	N
PA90316	South Townsite Community Cente	Petawawa	\$	2,798,931	\$	2,162,995	N
PA90317	New Roof For Existing & New Arena	Petawawa	\$	5,092,000	\$	145,291	N
SD92914	DRES Munitions Workshop	Suffield	\$	2,079,134	\$	1,998,226	N
SD92930	Construct Utilities - AWES	Suffield	\$	2,756,622	\$	1,880,881	N

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SD92932	Construct Tower Foundations and Equipment Shelters	Suffield	\$ 2,443,234	\$ 1,851,918	N
VR00200	Construction du Centre Communautaire	Valcartier	\$ 3,017,134	\$ 1,225,824	N
VR90270	Construct Recreation Centre	Valcartier	\$ 6,799,001	\$ 4,304,113	N
WR10002	Renovate Gymnasium	Wainwright	\$ 1,591,559	\$ 38,015	N
ED60047	Construct 3 PPCLI, Building 408	Edmonton	\$ 10,185,367	\$ -	U
GA45210	LLAD Accommodation 119 AD Battery 210 AD Workshop	Gagetown	\$ 11,633,067	\$ -	U
GA50581	Design/Build CFSME Relocation	Gagetown	\$ 5,555,354	\$ 489,955	U
GA70033	Militia Training Support Centre (MTSC) Atlantic	Gagetown	\$ 14,391,901	\$ 67,259	U
GA70060	MTSC Barrack Blocks	Gagetown	\$ 7,523,776	\$ 239,370	U
GA70171	New Vehicle Wash Rack	Gagetown	\$ 2,416,079	\$ 283,702	U
HQ90094	National Army Cadet Summer Training Centre	Edmonton	\$ 13,356,943	\$ 8,501,774	U
HQ90104	Design Build 2 Field Ambulance	Petawawa	\$ 8,961,776	\$ 7,272,707	U
PA82912	Cistern Construction Heliport	Petawawa	\$ 1,530,895	\$ 101,145	U
SJ60050	Conception/construction Champ de tir	Montreal	\$ 6,920,520	\$ 57,264	U
VR89936	Projet d'implantation d'une usine de cogeneration	Valcartier	\$ 10,881,307	\$ 388,750	U
VR90269	Construct Building	Valcartier	\$ 12,047,075	\$ 10,388,800	U
WR50232	PPCLI Battle School Trainee Quarters	Wainwright	\$ 11,489,645	\$ -	U
WR70057	New Vehicle Wash Rack CFB Det	Wainwright	\$ 4,026,813	\$ 273,751	U
WR70079	Design/Build Integrated Maintenance Facility	Wainwright	\$ 8,772,010	\$ 65,761	U

Sub-Total:

\$ 383,100,642 \$ 69,238,447

Air Forces

CX60010	Design/Build Search and Rescue Training Centre	Comox	\$ 1,921,019	\$ -	C
CX90102	Design/Build Community Complex	Comox	\$ 9,922,212	\$ 7,672,329	C
GB76010	Replacement of Steam Distribution System, Phase V	Goose Bay	\$ 1,444,801	\$ 10,000	C
TR69949	Design and Construct to Modify Hangar 9, Building 112	Trenton	\$ 1,088,862	\$ -	C
TR70010	Extend Run Up Pad and Reconstruct Runway 13-31	Trenton	\$ 1,908,661	\$ -	C
BA00031	Renovation of Recreation Centre	Bagetville	\$ 2,786,434	\$ 2,577,134	N
CL08858	Upgrade Sanitary Storm Sewers/Roads	Cold Lake	\$ 1,079,568	\$ 1,049,468	N
CX00008	New Hangar Facility - 442 Squadron	Comox	\$ 11,582,846	\$ 2,801,212	N
CX00010	Construct Magazine Complex	Comox	\$ 2,522,921	\$ 1,901,519	N
GR00082	Renovations to Fitness Centre	Gander	\$ 1,337,811	\$ 1,250,312	N
GW00210	POL Tank Farm Upgrade	Greenwood	\$ 2,889,387	\$ 2,608,935	N

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WG30896	Renovations to Barrack Block, 65 Man	Winnipeg	\$	1,358,282	\$	535,574	N
TR02202C	Utilities Upgrade, Phase 6C MQ Area, Middleton Park	Trenton	\$	1,327,081	\$	1,319,497	N
TR02202F	Utilities Upgrade, Phase 6F MQ Area, Middleton Park	Trenton	\$	1,264,232	\$	-	N
- -	Erect Radar Tower Structural Steel	Winnipeg	\$	10,001,312	\$	-	U
CL70139	Aerospace Engineering Test Establishment	Cold Lake	\$	16,912,496	\$	2,243,250	U
CL70202	Design/Build Recreation Facility	Cold Lake	\$	13,933,642	\$	5,162,806	U
CL70220	Design/Build New EME Facility Electrical Maintenance	Cold Lake	\$	5,914,810	\$	1,921,756	U
CL89904	Construct Water Reservoir and Pump House	Cold Lake	\$	1,568,294	\$	310,718	U
CX80010	Air Traffic Control Tower	Comox	\$	6,019,810	\$	2,725,158	U
GR90110	Search and Rescue Western Addition Phase 2	Gander	\$	1,300,004	\$	1,300,004	U
GW90100	Design and Construction of Fitness Centre	Greenwood	\$	7,702,527	\$	6,946,772	U
TR50080	Design-Build Embarkation Facility	Trenton	\$	3,709,284	\$	-	U
TR90010	Engine Bay Refill Between Hangars 2 and 3	Trenton	\$	1,366,048	\$	432,848	U
TR90090	Construct New Configuration Hangar	Trenton	\$	1,807,392	\$	462,192	U
TR90091	Construct Parking Apron for New Configuration Hangar	Trenton	\$	1,550,703	\$	582,131	U
TT90251	Design and Construction of Canadian Forces College	Toronto	\$	6,150,342	\$	4,634,606	U
Sub-Total			\$	120,370,781	\$	48,448,220	
Other							
BN62913	Construct New Indoor Swimming Pool, Building T-118	Borden	\$	3,305,835	\$	6,729	C
BN70010	Construct 400 Squadron Heliport	Borden	\$	1,240,705	\$	4,095	C
BN70156	Kitchen/Dining Facility Phase 2 (Blackdown Park)	Borden	\$	1,544,763	\$	-	C
DLCBAR4	DLCU - Nicholson Peninsula	DEW Line Cleanup	\$	1,186,700	\$	-	C
DLCFOX4	DLCU - Cape Hooper FOX-4	DEW Line Cleanup	\$	7,625,019	\$	1,001,504	C
BN90265	Renovate Buell Gymnasium	Borden	\$	5,684,301	\$	3,230,740	N
BN92905	Renovate Barrack Block, Building 0-109	Borden	\$	1,700,487	\$	1,698,487	N
BN92912	Upgrade APU/UPS System, Building 0-143	Borden	\$	1,648,538	\$	1,579,598	N
NW00001	PGS Sleep Mode Implementation Various SRR's	ADM (Mat)	\$	8,034,611	\$	5,315,490	N
BN42957	Construct CFFA Facility, Building A-256	Borden	\$	2,570,638	\$	-	U
BN52920	Construct New Vehicle Paint Facility, Building 0-177	Borden	\$	1,163,875	\$	-	U
BN52940	Construct Addition, Building A-243	Borden	\$	1,468,607	\$	-	U
BN60127	Army Cadet Training Centre, Company Lines Buildings	Borden	\$	3,837,289	\$	13,852	U

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BN70101	Alterations to Hangar 18	Borden	\$	2,067,130	\$	14,842	U
BN72919	Construct New Arena, Building T-126	Borden	\$	3,372,489	\$	666,806	U
DLCBAR4	DLCU - Nicholson Peninsula	DEW Line Cleanup	\$	9,513,903	\$	4,818,703	U
DLCCAMM	DLCU - Cambridge Bay CAM-M	DEW Line Cleanup	\$	7,757,176	\$	3,810,181	U
DLCPINM	DLCU - Cape Parry PIN-M	DEW Line Cleanup	\$	6,215,082	\$	-	U
HQ50085	Op Conservation	DEW Line Cleanup	\$	1,063,990	\$	-	U
HQ60151	Fire Fighter Training System 00	Borden	\$	8,127,374	\$	3,341,040	U
HQ70903	Construction of Lecture Training Building	CFSU (Ottawa)	\$	3,828,539	\$	-	U
HQ70913	Kitchen Facility, Building No. 25	CFSU (Ottawa)	\$	1,963,119	\$	-	U
HQ90010	ASU Consolidation Project, CFB Calgary	Edmonton	\$	4,843,151	\$	2,637,892	U
Sub-Total:				\$	89,763,321	\$	28,139,961
TOTAL: DND / CF				\$	675,149,902	\$	192,201,284

Note: **Status Key:** C - Project completed FY 99 - 00
 N - Project initiated FY 99 - 00
 U - Project underway FY 99 - 00

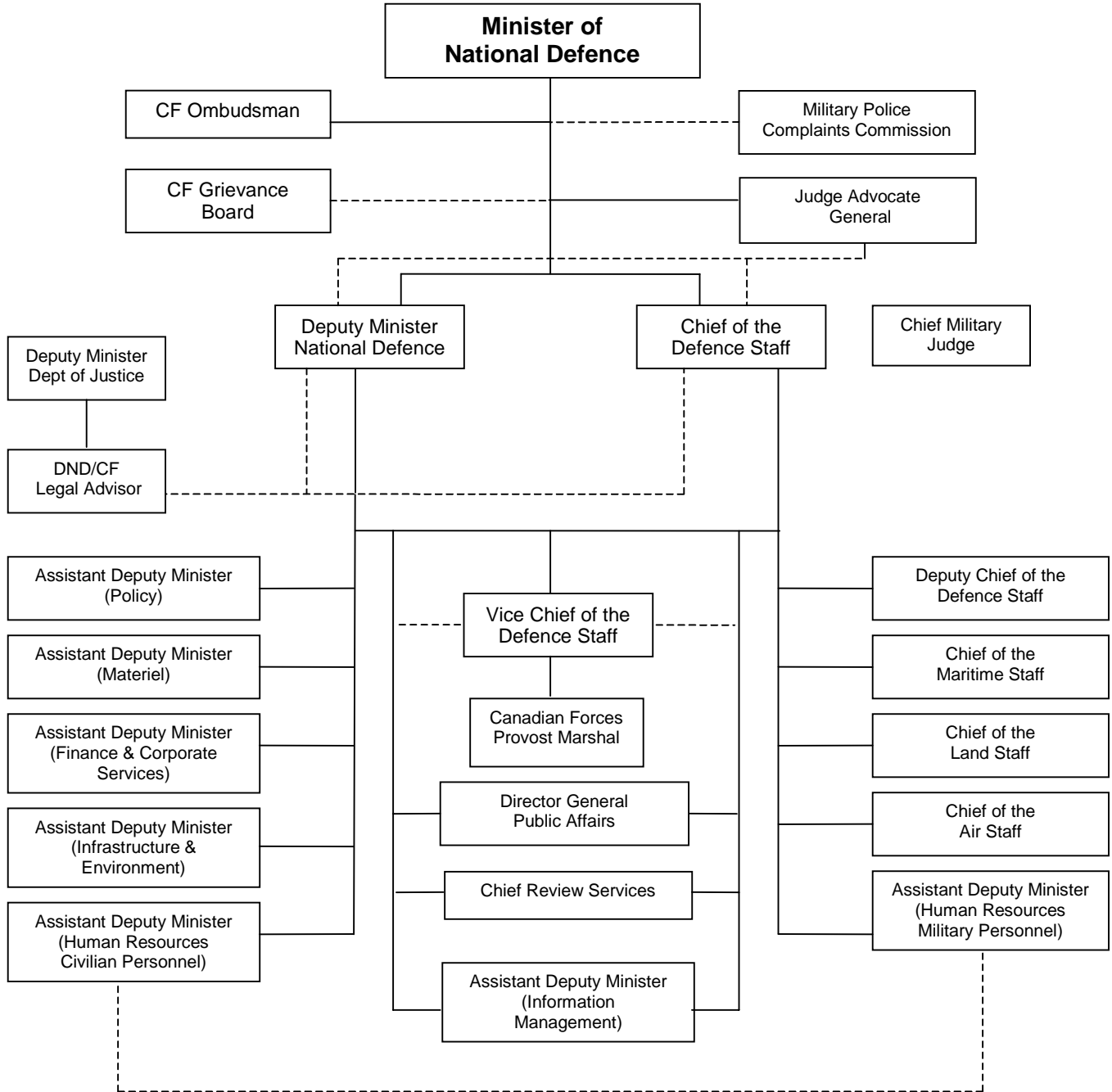
Costs of Peacekeeping and Related Operations

PEACEKEEPING & HUMANITARIAN OPERATIONS	FY 99/00	FY 99/00	Actual	FY 00/01	Est 00/01	Estimated
EUROPE	Full Cost	Incr cost	UN Revenue	Full Cost	Incr Cost	UN Revenue
SFOR - OP PALLADIUM (Bosnia) (NATO)	356.6	106.2		457.1	174.0	
UNMACBIH - OP NOBLE - (Bosnia)	0.5	0.1				
UNMIBH (UNMOP)	0.3	0.2				
SFOR - OP ECHO (Kosovo)	397.6	33.1		215.1	9.1	
OP GUARANTOR (Macedonia)	1.1	0.4				
OP KINETIC /OP KINETIC PLUS (Kosovo)	429.8	198.6		86.1	36.4	
OP MIKADO - (Albania/Macedonia)	3.7	1.2				
OP PARASOL (Refugees - Canada)	25.4	17.4				
OP CONNECTION - CARE CANADA	0.0	0.0				
OP QUADRANT (UNMIK, UNMACC, OSCE)	0.8	0.4				
OP CONTACT (Croatia soil sampling)	0.3	0.2				
UNPROFOR (Croatia)			3.1			7.2
SUB-TOTAL	1,216.1	357.8	3.1	758.3	219.5	7.2
ASIA						
CMAC (Cambodia) (under UN auspices)	1.4	0.6		0.4	0.2	0.0
OP TOUCAN (East Timor and Australia)	125.5	32.5				0.1
OP TORRENT (DART Turkey - Earthquake)	12.9	7.6				
SUB-TOTAL	139.8	40.7	0.0	0.4	0.2	0.1
MIDDLE EAST						
UNDOF - OP DANACA (Golan Heights)	28.6	7.0	4.4	29.6	8.0	4.0
Multinational Force Observers (Sinai)	3.0	0.5	1.0	3.0	0.5	0.7
UNTSO (Middle East)	1.5	0.7		1.5	0.7	
UNSCOM - OP FORUM (Iraq)	0.6	0.3		0.6	0.3	
UNIKOM - OP RECORD (Kuwait)	0.9	0.3		0.9	0.3	
UNFICYP - OP SNOWGOOSE (Cyprus)	0.3	0.1	0.0	0.3	0.1	
OP AUGMENTATION - (Arabian Gulf)	35.9	2.7		36.0	3.1	
SUB-TOTAL	70.8	11.6	5.4	71.9	13.0	4.7
AFRICA						
OP PRUDENCE - (Central African Republic)	20.8	2.8	0.8			0.9
OP MODULE (Mozambique)	0.6	0.4				
OP CROCODILE (Congo)	0.1	0.0		0.1	0.0	
SUB-TOTAL	21.5	3.2	0.8	0.1	0.0	0.9
THE AMERICAS						
MIPONUH - OP COMPLIMENT (Haiti)	2.9	2.0	1.9			4.0
MINUGUA - OP QUARTZ (Guatemala)	0.2	0.1	0.0			
UNTMIH - OP CONSTABLE (Haiti)						
OP CENTRAL (Honduras)	1.3	1.3				
OP SEMAPHORE (Migrant ships in BC)	4.7	2.9				
SUB-TOTAL	9.1	6.3	1.9	0.0	0.0	4.0
Miscellaneous PK Ops Mission Budgets			0.4	0.5	0.0	2.3
TOTALS	1457.3	419.6	11.6	831.2	232.7	19.2
UN Revenue Distribution			8.1			11.2
CRF						
DND			3.5			8.0

PART V — OTHER INFORMATION

Organization

This diagram reflects the current senior management level organization of National Defence Headquarters.



Canadian Forces Operations 1999-2000

Domestic Operations

Operation ABACUS: Under Operation ABACUS the Canadian Forces (CF) prepared responses to possible Year 2000 system failures. Approximately 2,500 CF personnel were employed during Operation ABACUS at Headquarters across Canada and at the National Command and Control Information System. An additional 14,000 Regular Force and 11,000 Reserve Force personnel were also ready for employment over the millennium transition, had the need arisen. Fortunately, the Year 2000 rollover occurred with little impact.

Sovereignty Operations: The Canadian Forces, through various continental defence arrangements like NORAD and in conjunction with other government departments, provide surveillance and control of Canadian airspace and coastal approaches. In 1999 this included a commitment of 155 ship-days and more than 1,000 maritime patrol aircraft flying-hours to support other government programmes and law enforcement operations.

Counter-Migrant Smuggling Operations: The Canadian Forces provide assistance to other government departments and agencies by identifying, tracking, and intercepting vessels suspected of carrying illegal migrants. The CF provided assistance, at the request of Citizenship and Immigration Canada, in dealing with the arrival of four smuggling vessels off the West Coast of Canada carrying upwards of 600 Chinese migrants during the summer of 1999. Aircraft conducted surveillance and naval vessels helped interdict the migrant vessels, providing rescue support and transportation to secure locations. As well, Defence facilities ashore at Esquimalt, British Columbia, were used as temporary housing for the illegal migrants.

Counter-Drug Smuggling Operations: Throughout the past year, the Canadian Forces continued to provide assistance to the Royal Canadian Mounted Police (RCMP) in support of counter-drug surveillance and interdiction operations. In addition, the level of CF helicopter and associated ground support to the RCMP 1999 Marijuana Eradication Programme was increased with proportionate improvement in its effectiveness. In July 1999, the Minister of National Defence and the Solicitor General of Canada reviewed and approved a revised memorandum of understanding on the provision of CF assistance to law enforcement activities. The new document both reaffirms the CF commitment to work with the RCMP in combating drug traffickers and formally authorizes the employment of a wide range of defence capabilities in support of RCMP-led counter-drug initiatives.

Search and Rescue Operations: In co-operation with the Canadian Coast Guard, the Canadian Forces provided support to and co-ordination of approximately 8,700 search and rescue incidents. These operations involved about 700 personnel.

Operation MANDOLIN: The Canadian Forces provided support to the XIII Pan-American Games held in Winnipeg, Manitoba, in July and August 1999. Types of support included equipment, facilities, and personnel. In fact, more than 380 personnel were employed in the athletes village, vehicle dispatch, marshalling of athletes, communications, medical assistance, evacuation, operation of the Games Operations

Centre, and water safety patrols. In addition, members of the CF provided ceremonial support for the opening and closing ceremonies.

Operation PARASOL: In a highly successful joint humanitarian operation with Citizenship and Immigration Canada and the Red Cross, the Canadian Forces provided temporary accommodations to approximately 5,000 Kosovar refugees between April and August 1999. The Kosovar refugees were received at Canadian Forces Base (CFB) Greenwood and Trenton. Following a brief medical examination, they were then accommodated at CF facilities at Aldershot, Borden, Gagetown, Greenwood, Halifax, Kingston and Trenton.

International Operations

North Atlantic Treaty Organization (NATO) Kosovo Force — Operation KINETIC: With a mandate to establish and maintain a secure environment and, if necessary, to enforce the terms of the Military Technical agreement, Canada's contribution to Kosovo (since June 1999) consists of approximately 1,400 personnel including a National Command and Support element, an infantry battle group, a reconnaissance squadron and a tactical helicopter unit.

North Atlantic Treaty Organization (NATO) Stabilization Force — Operation PALLADIUM: With a mandate to support the United Nations (UN) in deterring hostilities, establishing a secure environment, and monitoring the peace in Bosnia-Herzegovina, the Canadian contingent of approximately 1,350 Canadian Forces personnel consists of National Command and Support elements, a battle group, an advanced surgical centre, a helicopter detachment and construction engineers. Canada also provides several staff officers to the various Headquarters positions located throughout Bosnia-Herzegovina.

Operation ECHO: In response to ethnic violence in Kosovo, a NATO-led air campaign was launched on 24 March 1999 against the Federal Republic of Yugoslavia. Canada's initial contribution was six CF-18 fighters which, at the height of the campaign, surged to 18 aircraft. More than 675 combat sorties were flown and various types of ammunition were expended with the majority of bombs, approximately 360, being precision-guided. The campaign ended on 22 June 1999 and Canada withdrew 12 CF-18 aircraft shortly thereafter. Since that time the Canadian Forces have maintained a commitment of six CF-18s in Aviano, Italy, in support of NATO forces in the Balkans.

United Nations Mission in Bosnia-Herzegovina: The mandate is to maintain a diplomatic presence, co-ordinate United Nations High Commissioner for Refugees (UNHCR) humanitarian activities, and create and monitor an international police force designated to implement various aspects of the Dayton Peace Accord. The Canadian Forces contribute a senior staff officer to the office of the UN Co-ordinator for Bosnia-Herzegovina.

United Nations Interim Administration in Kosovo — Operation QUADRANT: The mandate is to establish a civilian presence in Kosovo and develop an interim civilian administration. The Canadian Forces provided a communications officer and four staff personnel.

Bosnia-Herzegovina Mine Action Centre — Operation NOBLE: The mandate of this centre is to advise and train local authorities in Bosnia-Herzegovina in mine-clearing techniques. The Canadian Forces provided four staff officers: an advisor to the Assistant Director Co-ordination in Sarajevo, a financial advisor in Banja Luka, and a training advisor in both Bihac and Banja Luka. Their mission was to monitor and support the training of their civilian counterparts from Bosnia-Herzegovina, who will eventually take over all aspects of the Bosnia-Herzegovina Mine Action Centre. The Canadian Forces ended their participation in February 2000 and turned over responsibility to local civilian de-miners.

United Nations Mission of Observers in Prevlaka: The mandate of this mission is to monitor the situation in Prevlaka, at the southern tip of Croatia and bordering the Federal Republic of Yugoslavia. One Canadian officer is serving as a UN military observer.

Operation TORRENT: The Disaster Assistance Response Team (DART) again played a key role in Canada's contribution to an international disaster relief operation. On 17 August 1999, an earthquake measuring 7.4 on the Richter scale hit Turkey leaving 16,000 dead, 25,000 injured, 20,000 to 30,000 missing and approximately half a million people homeless. Just one week later, the DART was operating in Turkey and providing critical medical and potable water service to the devastated community of Serdivan. By the end of the 40-day mission, the DART had achieved extraordinary success. The Team's accomplishments included receiving more than 5,100 patients at its primary care medical treatment facility, processing and distributing 2.7 million litres of potable water, and providing engineer assistance to the Red Crescent and the United Nations Children's Fund (UNICEF) in the establishment of temporary, tented accommodation for 2,000 people.

Operation AUGMENTATION: Maritime Interdiction Operations in the Arabian Gulf were established to monitor and enforce UN Security Council resolution sanctions against the import and export of commodities, including oil, to and from Iraq. Since 1991, Canada has sent ships to participate. Her Majesty's Canadian Ship REGINA deployed in June 1999 with approximately 240 personnel as part of the United States Ship ABRAHAM LINCOLN Carrier Battle Group. REGINA returned to Canada in mid-December.

International Force in East Timor (INTERFET) — Operation TOUCAN: This mission was mounted in September 1999 to restore peace and order in East Timor following violence precipitated by a vote to secede from Indonesia. Canada contributed over 600 personnel to the Australian-led multinational force of 7,500. The Canadian Forces deployment consisted of the following components:

Air Component — two Hercules transport aircraft with 105 personnel based in Darwin, Australia. They flew their first flight into East Timor on 28 September. They returned to Canada at the beginning of November following significant contributions to the Allied airlift;

Sea Component — Her Majesty's Canadian Ship PROTECTEUR departed Canada on 23 September with 277 personnel on board. PROTECTEUR began her at-sea and ashore replenishment duties upon her arrival in East Timor in October.

Land Component — a reinforced infantry company of 272 personnel departed Canada on 15 October and on 29 October conducted an amphibious landing on

a beach near Suai, East Timor. The initial tactical area of responsibility was large and eventually grew to encompass more than 1,000 square kilometres. The company group conducted jungle patrols in very rugged terrain and under severe tropical climatic conditions, including torrential monsoon rain. They returned home in March 2000.

The Canadian Forces continue to have three personnel serving with the UN force that is taking over from the multinational force.

United Nations Civilian Police Mission in Haiti — Operation COMPLEMENT: The mandate is to help the Government of Haiti develop a professional national police force. The CF provided six armoured personnel carriers (Bisons), five maintenance personnel, and periodically, six drivers to teach the UN civilian police how to drive the vehicles. This operation was completed on 26 March 2000.

United Nations Disengagement Observer Force — Operation DANACA: The mandate is to supervise the cease-fire between Israel and Syria, supervise the redeployment of Israeli and Syrian forces, and establish an area of separation according to the disengagement agreement. Canada provides 186 personnel primarily for supply, transport, and maintenance support, as well as communications detachments to all UN Disengagement Observer Force units.

United Nations Peacekeeping Force in Cyprus — Operation SNOWGOOSE: The mandate is to maintain the cease-fire and help restore normal conditions. Two Canadians are serving with the United Nations headquarters.

Multinational Force and Observers — Operation CALUMET: The mandate of the Multinational Force and Observers in the Sinai, a non-UN mission, is to supervise the provisions of the peace treaty between Israel and Egypt in accordance with the Camp David Accord. Tasks include operating a series of observation and command posts, as well as verifying the adherence of the parties to the treaty. Canada provides 28 personnel to the headquarters staff.

United Nations Truce Supervision Organization: The mandate is to observe and maintain the cease-fire ordered by the UN Security Council and to assist the parties in supervising the application and observance of the General Armistice Agreement concluded separately between Israel, Egypt, Lebanon, Jordan, and Syria. Tasks include monitoring, supervising, and observing the cease-fire agreements, and providing observers in the Golan Heights, South Lebanon, and Sinai. Canada provides 11 personnel.

United Nations Iraq-Kuwait Observation Mission — Operation Record: The mandate is to monitor the Khor Abdullah Waterway (between Iraq and Kuwait) and the demilitarized zone, to deter violations of the boundary, and to observe any inter-state hostilities. The Canadian Forces provide five personnel as UN military observers and headquarters staff.

Mission Nations-Unies Guatemala — Operation QUARTZ: The mandate is the cease-fire agreement between the Government of Guatemala and the Unidad Revolucionaria Nacional Guatemala (URNG) for firm and lasting peace, signed in 1996 to officially end 36 years of civil war. The CF provides one Military Liaison Officer to advise the mission

director on military matters and liaise between the government, rebels, verification teams and Guatemalan Armed Forces.

United Nations Development Programme — Support to the Cambodian Mine Action Centre: The mandate of this programme is to provide technical specialists to help conduct mine-awareness activities, mine-clearance training, and the planning of mine-clearance operations under the auspices of the United Nations Development Programme. Canada's contribution to this technical advisory group is currently seven personnel, including the Chief Advisor — Operations.

Standing Naval Force Atlantic: The CF contribution to the Standing Naval Force Atlantic, the NATO Immediate-Reaction Naval Force, is one ship. HMCS ATHABASKAN and IROQUOIS served in Standing Naval Force Atlantic during the fiscal year and also served as the Flag ships for the force. A Canadian was the commander of Standing Naval Force Atlantic during the year.

United Nations Mission in Sierra Leone (UNAMSIL) — Operation REPTILE: The Canadian Forces is providing five military observers to the UN mission in Sierra Leone.

United Nations Accelerated De-mining Program (UNADP) Mozambique — Operation MODULE: The Canadian Forces is providing three de-mining advisors.

The United Nations Observer Mission in the Democratic Republic of the Congo (MONUC) — Operation CROCODILE: A UN decision on the mandate for the UN military observers and protection force has not yet been determined and is awaiting the Secretary General's report. Canada is filling the position of Chief of Staff Plans and Operations in the Advanced UN Military Headquarters in Kinshasa.

United Nations Mission in the Central African Republic (MINURCA) — Operation PRUDENCE: The mandate was to support the UN force in the Central African Republic by providing a signals detachment. This operation spanned from April 1998 to October 1999, and was discontinued following successful presidential elections. The CF withdrew its 45 personnel in November 1999.

Operation CONNECTION: In order to expand the inter-agency co-operation between the Department of National Defence and non-governmental organizations, an officer was attached to CARE Canada from April to September 1999 and deployed to Albania. It is expected that a similar attachment will be made in the summer of 2000.

Arms Control Verification (ACV) Operations

Operation VERIFY: The mandate is to conduct arms control inspections to monitor military personnel levels and to verify the declared equipment holdings of the signatory countries under the provisions of the Treaty on Conventional Armed Forces in Europe. These inspections are usually conducted in co-operation with other signatory states through multinational inspection teams co-ordinated by the NATO Verification Co-ordinating Committee. Canada led two Operation VERIFY missions this year: one in Romania and the other in Russia. It also participated in a further 14 missions throughout Eastern Europe. The main thrust of these inspections is to achieve increased security and stability in Europe through the verification process.

Operation REDUCTION: The mandate is to conduct arms control inspections to verify the reduction of military equipment through destruction, conversion and recategorization under the provisions of the Treaty on Conventional Armed Forces in Europe. The CF participated in one Operation REDUCTION inspection during 1999-2000, providing an inspector to a NATO team tasked with certifying the reduction of Russian equipment east of the Urals. The main objective of this operation was to promote greater security and stability in Europe through the reduction of military equipment.

Operation QUESTION: The mandate is to conduct arms control operations resulting from Canada's signature of the 1994 Vienna Document. Canada led four Operation QUESTION missions this year: two inspection missions into Uzbekistan and Azerbaijan, and two evaluation missions into Latvia and Finland. In addition, Canada participated in a further eight Operation QUESTION missions in Europe. These operations aim to promote stability, transparency and openness in military affairs among the 53 nations of the Organization for Security and Co-operation in Europe (OSCE).

Operation MENTOR: The mandate is to provide arms control inspectors and training assistance for inspection teams led by the witness states, the Federation of Bosnia-Herzegovina, or the Republika of Srpska under the auspices of the Dayton Peace Accords. Canada participated in two Operation MENTOR missions during 1999-2000 by providing an inspector to inspection missions. The objective of these missions is to enhance mutual confidence and reduce the risk of further conflict in the Balkans.

Operation ACTIVE SKIES: The mandate is to conduct observation flights over other signatory states as permitted by the Treaty on Open Skies. The Treaty allows participating nations to fly over, on short notice, all territory of other participating nations while using onboard sensors to image any desired points of interest. Canada conducted two Operation ACTIVE SKIES missions during 1999-2000 (one over Russia and the other over Ukraine) and participated as an observer in a further two missions over Norway and the Czech Republic. These observation flights are recognized as an international Confidence and Security Building Measure with the goal of promoting greater military openness and transparency.

Operation PASSIVE SKIES: The mandate is to co-ordinate, escort and monitor OPEN SKIES observation flights over the territory of Canada. The Treaty on Open Skies allows signatory nations to fly over, on short notice, the territory of Canada and use onboard sensors to image any desired points of interest. Canada conducted one Operation PASSIVE SKIES mission during 1999-2000, supporting a Ukrainian flight over Canada. These observation flights are recognized as an international Confidence and Security Building Measure with the goal of promoting greater military openness and transparency.

Operation OPEN VIEW: Operation OPEN VIEW allows the escort of an inspection team from the Organization for the Prohibition of Chemical Weapons, and stems from Canada's signature of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons (the Chemical Weapons Convention). Operation OPEN VIEW 1/00 occurred at the Defence Research Establishment Suffield, Alberta, in February 2000.

United Nations Special Commission — Operation FORUM: The mandate is the inspection and destruction of Iraq's ballistic missiles as well as its chemical, biological,

and nuclear facilities. Two Canadian Forces members are assigned to the operation at United Nations Headquarters in New York.

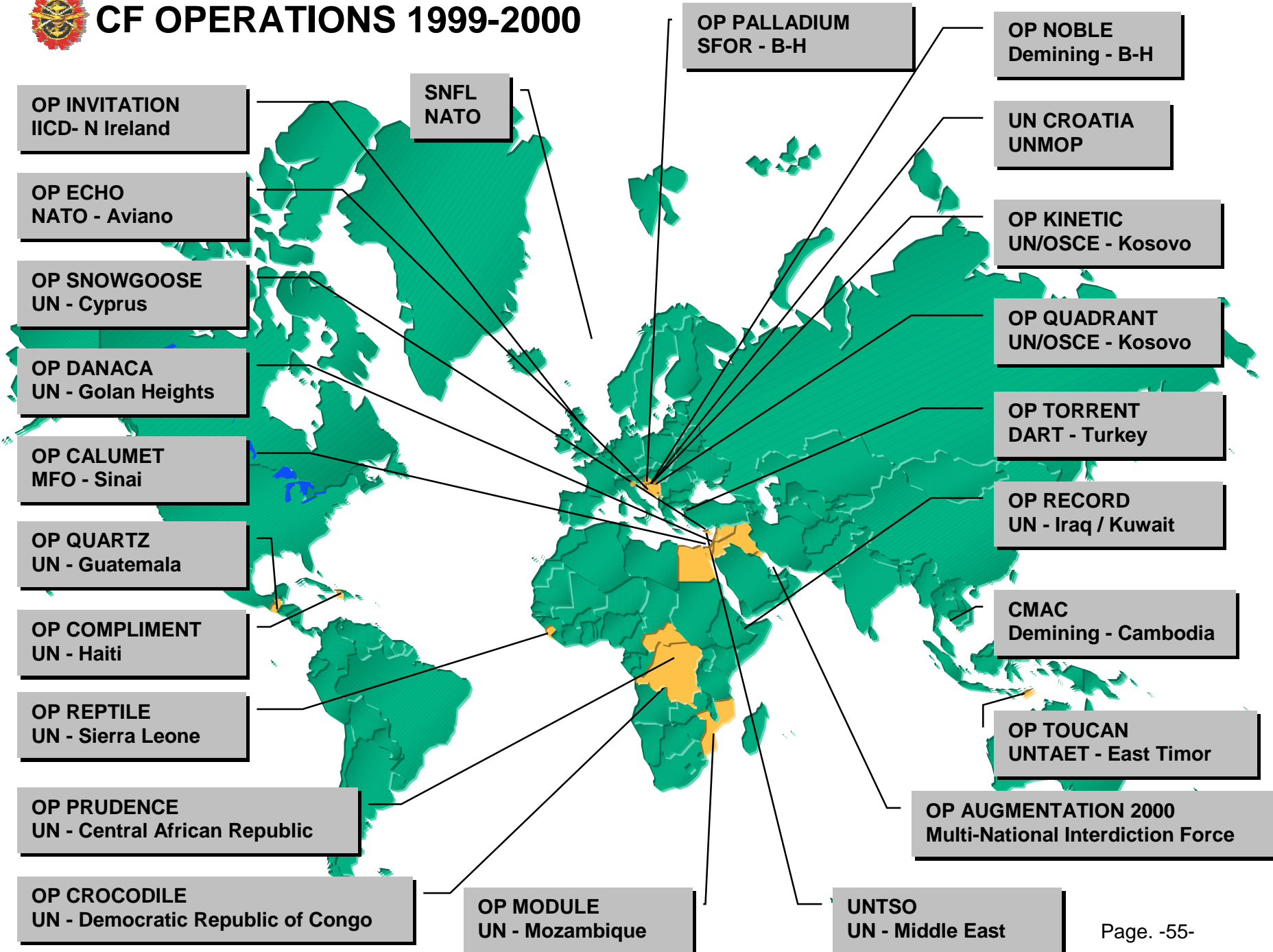
Partnership for Peace (PfP) Activities

The introduction of the Partnership for Peace (PfP) initiative in 1994 added a new dimension to the relationship between NATO and non-NATO countries. The aim of the PfP is to enhance stability and security throughout Europe. Canada has been a strong supporter of the PfP programme since its inception.

In 1999, Canadian Forces personnel participated in three maritime, three land, and two air force PfP exercises. Although the majority of these activities were conducted in Central and Eastern Europe, Canada hosted two major activities. One, dubbed Exercise CO-OPERATIVE BEST EFFORT 99, was an army peace support operation field training exercise involving more than 400 troops from 18 nations, and the other, Exercise CO-OPERATIVE ZENITH 99, was an air force search and rescue activity involving nine nations.



CF OPERATIONS 1999-2000



Reserve Force

> Role

The 1994 *Defence White Paper* defined the primary role of the Reserve Forces as the augmentation, sustainment and support of deployed forces and, in some cases, for tasks that are not performed by Regular Forces. Within the Total Force concept, both the Regular and Reserve Forces support the ongoing peacetime tasks and activities of the Canadian Forces. The Reserves are an essential component within Canadian Forces Mobilization planning doctrine and provide the depth and breadth necessary to achieve the capabilities required in each stage of mobilization.

> Description

As detailed in the *National Defence Act*, the Reserve Force is one of the three components of the Canadian Forces. The Reserve Force is composed of members who are enrolled for other than continuing, full-time military service.

The sub-components of the Reserve Force are:

- the Primary Reserve;
- the Supplementary Reserve;
- the Cadet Instructors' Cadre; and
- the Canadian Rangers.

The **Primary Reserve** consists of the Naval Reserve, the Army Reserve, the Air Reserve, the Communication Reserve and the National Defence Primary Reserve List. These elements function within the chain of command of the applicable environment, except for the Communication Reserve, which is part of the Information Management Group.

The **Supplementary Reserve** is composed of the Supplementary Holding Reserve and the Supplementary Ready Reserve, which hold names of personnel who could be called if needed. Members of the Supplementary Reserve are not required to perform duty or training except when on active service. They provide a pool of personnel with previous military service who could be recalled in an emergency. Civilian specialists are also enrolled when there is a defined need.

The **Cadet Instructors' Cadre** consists of officers who have undertaken to perform such military duty and training as may be required of them, but whose primary duty is the supervision, administration and training of Sea, Army and Air Cadets. The Cadet Instructors' Cadre is the Reserve component of the Canadian Cadet Organization through which the Canadian Cadet Program is delivered. The financial requirements for the CIC are included in the CCO/CIC Corporate Account.

The **Canadian Rangers** consists of volunteers who hold themselves in readiness for service but who are not required to undergo annual training. They are obliged to serve only when placed on active service. Rangers must be in good health and must be able to live effectively off the land. The role of the Canadian Rangers is to provide a military

presence in sparsely settled, northern, coastal and isolated areas of Canada that cannot conveniently or economically be covered by other elements of the Canadian Forces.

➤ **Primary Reserve**

Reservists are more frequently being called upon to participate in Canadian Forces operations. Overall, about 10% of all Canadian Forces personnel deployed on operations last year were Reservists.

To enhance the availability of Reserve personnel for training and employment on operations, the Canadian Forces Liaison Council (CFLC) continues to take measures to solicit employer support. To date, more than 2,600 employers have indicated support for their employees' participation in the Reserve Force. Most are willing to give Reserve employees unpaid leave for up to 12 months in support of their employment on Canadian Forces operations. The Council approaches 600-700 new employers annually and sponsors several programs to further enlist employer support.

The Reserve Force Employment Project (RFEP) has been established to examine all employment differences between the Regular Force and Reserve Force components with the aim of changing policies to enhance the ability of the Reserve Force to achieve its mission in the future. The goal of the RFEP is to "Validate or develop policies that will enhance both the predictability and availability of Reservists in sufficient numbers, with adequate skills and a clear understanding of their moral commitment to participate in Total Force Missions". Four main areas (themes) are to be investigated; Reserve liability, Reserve employment, management of Reserve careers and review of the Cadet Instructor Cadre. The RFEP incorporates within the Reserve liability theme a goal of enhancing the ability and mobility of Reservists to move between "some form" of part-time and full-time employment. The RFEP mandate runs from April 2000 to July 2002.

Naval Reserve

The Naval Reserve consists of 24 divisions located across Canada, with its headquarters in Québec City. It is under the command of the Chief of the Maritime Staff.

The mission of the Naval Reserve is to provide Maritime Command with trained personnel for the manning of combat and support elements to meet Canada's naval defence objectives in peace, crisis and war. In addition, Naval Reservists are responsible for the manning of maritime coastal defence vessels, naval control of shipping elements, harbour defence units, mine countermeasures operations, administrative and logistic support, and community and public relations by maintaining a naval presence throughout Canada.

The Training for the Maritime Coastal Defence task includes coastal surveillance and patrol, as well as mine countermeasures activities such as route survey (ocean floor mapping), mechanical mine sweeping and seabed object inspections. The Maritime Coastal Defence Vessels, which are manned almost exclusively by Reservists, have a multi-role capability in coastal surveillance.

The Harbour Defence task provides for the defence of ports and anchorages and their immediate approaches in times of crisis. It includes provisions for port safety and security, harbour patrols and interdepartmental operations. The harbour defence

organization consists of four units, with two on each coast. A dive inspection team supports each unit. Rigid hull inflatable boats are used to conduct the majority of harbour control activities.

The Naval Control of Shipping task provides a contingency capability to place merchant shipping under government control and, if necessary, provide naval protection and guidance. The Naval Control of Shipping organization consists of four regional teams, with two on each coast.

Militia (Army Reserve)

The Army Reserve is currently organized into ten Canadian Brigade Groups, under the command of the Chief of the Land Staff. Brigade Headquarters are located in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal, Québec, Moncton and Halifax.

The Army Reserve provides the capability to generate forces for the Army and national level units, as and when required. The fundamental roles of the Army Reserve are to provide a framework for mobilization, to augment and sustain the regular component of the Army, and to serve as a continuous link between the military and civilian communities. These roles are accomplished through augmentation of trained individuals as well as trained units of varying sizes, as situations dictate. With a relatively small Regular Army component and a vast and sparsely populated landmass, the Army Reserve is also available for domestic and sovereignty operations. Army Reservists are trained in a wide number of occupations and professions through a variety of institutions, including local, area and national schools across Canada. Outside of the Land Force Areas, senior Army Reserve personnel are located both at the National Army Headquarters in Ottawa and at the Land Force Doctrine and Training Systems Headquarters in Kingston.

Air Reserve

The Air Reserve, which is commanded by the Chief of the Air Staff, is an integral part of the Total Air Force. Air Reserve positions are fully integrated into the core processes in the Air Staff at National Defence Headquarters (NDHQ) in Ottawa and at 1 Canadian Air Division Headquarters (1 CAD HQ) in Winnipeg. Most Air Force wings, squadrons and units are comprised of both Regular and Reserve Force personnel. Three flying squadrons are "heavy" on Reserve Force commanding officers: 402 Squadron Winnipeg which is equipped with the Dash 8 aircraft; and 400 Tactical Helicopter Squadron Borden and 438e Escadron Tactique d'Hélicoptères St. Hubert, both of which fly the CH-146 Griffon helicopter. The Air Reserve is also fully integrated into the Air Force Contingency Capability, which provides the Air Force with support elements for worldwide aerospace operations, national taskings, domestic deployments, Air Force exercises, and disaster relief.

The primary role of the Air Reserve is to augment and sustain the regular Air Force. The Air Reserve Strategic Planning Working Group was formed in 1999 to bring together senior Regular and Reserve Force personnel from the Air Staff and 1 CAD HQ to examine the roles, mission and vision of the Air Reserve. The goal is to ensure that the Air Reserve is integrated into the Total Air Force in a manner that is operationally sound, cost-effective and sustainable.

The Air Reserve provides support to the Air Force for ongoing peacetime tasks, as well as domestic and deployed operations. In fiscal year 1999-00, Air Reservists participated in Operations DANACA (Golan Heights), KINETIC (Kosovo), PALLADIUM (Bosnia), ECHO (Aviano) and ABACUS (Year 200 problem). Air Reservists also back-filled Regular Air Force positions in Canada to allow Regular Force personnel to deploy on operations. On average, Air Reservists contributed approximately 15% of the Air Force personnel on or in support of Canadian Forces operations.

As part of the Air Force Association of Canada 1999 Aviation Awards, Reserve Force members from 1 Wing, Kingston were awarded the Air Marshal W.A. Bishop VC Memorial Trophy for their ongoing contribution to the overall successful operation of the Air Force. Throughout the year, Air Reservists were at the forefront, integrating with Regular Force members in Honduras, in Bosnia, and working with the Canadian Battle Group in Macedonia. They were recognized for their "superb response to several challenging demands within a constricted timeframe." Several individual Air Reservists were awarded the Order of Military Merit in recognition of their individual contributions to the Air Force and the Canadian Forces.

Communication Reserve

The Communication Reserve is currently organized into 23 units divided into five AOR Groups: 70 Communication Group, Trenton, 71 Communication Group, St. Hubert, 72 Communication Group, Halifax, 73–74 Communication Groups, Edmonton and the Canadian Forces Information Operations Group, Ottawa.

During the last fiscal year the Communication Reserve was employed on a number of tasks, many in support of the Army. The IMG Headquarters alone tracked 64 personnel in support of deployed operations. Additionally, approximately 200 incremental taskings were supported. In addition to these numbers, support at Communication Group and unit level was also significant. The various tasks performed include:

- individual augmentation to United Nations missions;
- operational theatre deployments;
- domestic operations of the National Command and Control Information System;
- assignments to the Army Signals units and troops;
- information management tactical support to the Militia; and
- manning Navy Transportable Tactical Command Centres.

Due to Operation ABACUS, 1999 was an extremely busy year for the Communications Reserve. Prior to deployment in December, there was considerable effort to perform individual and collective training in support of the operation—in addition to the normal summer training concentration, which was essential to maintain the force size and capability. Communication reservists were also called upon to support operations for both the Regular Force and Militia components of the Army. Additionally, there were two major national exercises in preparation for Operation ABACUS. At the height of deployment, 880 Communication Reserve personnel (half the force) were employed in support of the operation. 79 Communication Regiment experienced a very busy year, with a number of international deployments. Forty Communication Reservists were tasked to support 79 Communication Regiment on a full-time basis in order to relieve some of the strain on this unit.

Canadian Cadet Program

The objective of the Canadian Cadet Program is to develop in young men and women the attributes of good citizenship and leadership, promote their physical fitness and stimulate their interest in the sea, land and air activities of the Canadian Forces.

➤ Mandate

The Canadian Forces, in accordance with Section 46 of the *National Defence Act*, control and supervise the Canadian Cadet Organizations (Royal Canadian Sea Cadets, Royal Canadian Army Cadets and Royal Canadian Air Cadets) in implementing the Cadet Program. In carrying out this responsibility, the Canadian Forces take into account the known policies and objectives of the Cadet Leagues and local sponsors and co-operate with them to the fullest extent possible.

➤ Vision

The Canadian Forces, working with the other stakeholders, embrace:

- a results-oriented and cost-effective Canadian Cadet Program that makes optimum use of entrusted resources to achieve program aims;
- a dynamic, innovative Canadian Cadet Program committed to excellence, continuous improvement and mutual respect; and
- a culture that is responsive to change and restraint, reflects the values of Canadian society and meets the needs of the Canadian Cadet Organization

➤ Organization for Delivery

The Canadian Cadet Program is a federally sponsored national youth training program for 12 to 18 year-olds. It is conducted in partnership with the Navy League, Army Cadet League and Air Cadet League, which provide local sponsors for each corps or squadron. The Canadian Forces provide Regular Force and Primary Reserve support and the Cadet Instructors' Cadre—the members of the Reserve Force charged with the supervision, administration and training of cadets.

There are approximately 60,000 Canadian youth in the Cadet Program who benefit from the training provided. They are organized into approximately 1,100 cadet corps or squadrons, 610 cadet bands, 27 Cadet Summer Training Centres and various gliding, sailing and land training schools and centres located across the country.

➤ Resource Summary

The initial funding allocation for the Canadian Cadet Program for fiscal year 1999-00 amounted to approximately \$135 million. These figures include funds received through the Government Youth Initiatives. Expenditures by allotment are listed in the following table:

National Defence Cadet Program Expenditures

(\$000)	Actual 1997/98	Actual 1998/99	Forecast 1999/00	Actual 1999/00
Personnel	56,987	63,768	* 82,428	80,691
Operating	48,351	52,729	50,938	66,316
Sub-Total	105,338	116,497	133,366	** 147,007
Grants	615	646	615	615
Capital	858	2795	665	*** 11,059
Total	\$ 106,811	\$ 119,938	\$ 134,646	\$ 158,681

* Includes \$17.8 million in Youth Initiative Funds (All initially given as Pay money).

** Includes Pay Increase (\$8 million) and Operation PARASOL (Kosovo) (\$5 million).

*** Includes approximately \$10 million special in-year funding for Infrastructure and information technology projects.

➤ **Performance Accomplishments**

All cadets benefited from the Local Headquarters training program (training within the community) conducted from September through May. Nearly 23,000 cadets attended summer training courses, participated in leadership roles as staff cadets during summer training, and participated in international exchanges. This past year saw the continuation of the Government Youth Employment Strategy, which resulted in more funding being allocated to the Cadet program. With this investment we are making a significant contribution to the learning and career opportunities of young Canadians.

The Cadet Harassment and Abuse Program (CHAP) has been developed and implemented in all regions and is now integrated in the Cadet Training Program. In October 1999, the Vice-Chief of the Defence Staff (VCDS) assembled a multi-disciplinary team to assess the efficacy and effectiveness of the Modern Management and Comptrollership practices within the Cadet Organizations. The February 2000 report *Cadet Program – Modern Management Comptrollership Review* has been reviewed by the VCDS, who subsequently directed the implementation of the report recommendations.

A review of the feasibility to re-organize the Directorate of Cadets along functional lines rather than elemental lines has taken place. The new organization stood up 1 April 2000. Its principal organizational components are now: Strategic Planning, Program Development, National Co-ordination of the Programs, Corporate Services, Finances and Communications/Public Relations.

To assist with the long-term planning for the organization, the Cadet Program Strategic Guidance was developed, outlining key issues, corporate goals, priorities, special initiatives and available resources. It covers a five-year planning period to reflect the multi-year impact of new initiatives and long term goals. In its efforts to deal with current and anticipated challenges, the Canadian Forces and the Cadet Leagues have continued on a renewal process, referred to as the "Way Ahead Process," to ensure that they continue to offer vibrant and attractive training programs well into the twenty-first century.

Canadian Rangers/Junior Canadian Rangers

CANADIAN RANGERS

From an operational perspective, the ability of the Canadian Forces to exercise sovereignty in remote and isolated regions of the country is partially maintained through the standing presence of the Canadian Rangers and the sovereignty patrols/operations they regularly conduct.

From a domestic perspective, it has been noted that the value of the Rangers today far exceeds that of being the “eyes and ears” of the military in remote and isolated locations. Their communities have increasingly turned to the Rangers in times of disaster or stress—indicative of the high esteem with which Rangers are held in their communities. Moreover, their training has enabled them to take the lead in community activities. For instance, the Rangers have performed a variety of voluntary tasks ranging from guides, first aid training, flood evacuations, and participation in search and rescue activities as citizens.

There are currently about 3,500 dedicated Rangers located in seven provinces and three territories. They provided invaluable assistance to domestic operations over the last year. Ranger activities included communications support during Operation ABACUS, the reporting of unidentified vessels within Canadian waters, helping to counter illegal migration on the West Coast, and responding to various emergencies in isolated, northern areas. In 1999, the Chief of the Defence Staff awarded commendations to 1 and 2 Canadian Ranger Patrol Groups for their exemplary work during life-threatening situations.

JUNIOR CANADIAN RANGERS

The Rangers have another significant role in the implementation of the Junior Canadian Ranger (JCR) Program. Various stakeholders have reported that the JCR program is having a significant and positive impact on their youth. Consequently, there has been an increasing demand by many community and regional authorities for an expansion of the program into more locations.

The objective of the Junior Canadian Ranger Programme is to provide a structured youth program that promotes traditional cultures and lifestyles in remote and isolated communities of Canada.

➤ Mandate

The Canadian Forces, in accordance with section 46 of the *National Defence Act*, control and supervise the Junior Canadian Rangers, which are formed as a cadet organization, and ensure the implementation of the Junior Canadian Ranger Program. In carrying out this responsibility, the Canadian Forces take into account and co-operate with the local, regional, provincial or territorial and federal agencies involved in the Program to the fullest extent possible.

➤ **Structure and Roles**

The Junior Canadian Ranger Program is conducted in partnership with local and regional adult committees composed of community members. The support of the community is essential. The participants, leaders and resources for the program are drawn from the local area, with the focus of all training and activities being local practices and customs. The Canadian Forces provide financial and administrative support to the program, and training is validated regularly by Canadian Forces personnel during visits and field exercises.

➤ **Performance Expectations**

There are currently approximately 1,400 Junior Canadian Rangers who benefit from the training given in remote and isolated communities across the country. At the present time, there are Junior Canadian Ranger patrols in the Yukon, the Northwest Territories, Nunavut, northern Québec, Ontario, British Columbia and Labrador. The training fosters good citizenship, community responsibility, leadership, personal health and welfare, and self-esteem in the Junior Canadian Rangers, thereby building a stronger, healthier community for all.

As an indication of the popularity of this program, over the past year 25 Junior Canadian Ranger Patrols were established, surpassing the 1998-99 goal of 20 new patrols and raising the current total to 58. These patrols will be expanded in response to requests from communities. With the continued support of the funding received from the Youth Initiatives, it is hoped that 19 more will be established over the coming year for a total of 77.

➤ **Resource Summary**

Funding allocations for the Junior Canadian Ranger Program amounts to a total of \$3,188,700 (\$308,000 allocated by the Department of National Defence, \$300,000 by Human Resources Development Canada, \$1,600,000 through the Youth Initiatives and 908,000 carried forward from the previous year). The summary below outlines how the funding was allocated:

(\$000)	Actual 1999-2000	Forecast 1999-2000
Personnel	\$1,087	\$1,189
Operating	\$1,334	\$2,484
Capital	\$520	\$270
Total	\$2,921	\$3,943

National Search and Rescue Secretariat

Canada is regarded highly in the international search and rescue (SAR) community for its effective national search and rescue program. This is an esteemed position because of the inherent “Canadian” challenges posed by the country’s vast size, expansive ocean areas of responsibility, varied terrain and harsh climate. Canadian search and rescue is dependant on the key elements of cooperation, expertise and complex multi-jurisdictional partnerships.

This section summarizes achievements under three results identified previously in the Report on Plans and Priorities for fiscal year 1999-00. The results and achievements for each follow:

Result 1: A cohesive and efficient National Search and Rescue Program by:

- **Working towards closer ties with non-federal counterparts.**
 - NSS acted as central coordinator in joint federal/non-federal meetings where agreement was reached on the need to continue to discuss mutual problems and seek multi-jurisdictional solutions.
 - NSS led development of strategic policy and processes to establish a multi-jurisdictional exercise activity between federal and non-federal jurisdictions to share best practices and lessons learned.

- **Identifying performance information required to manage the SAR program as a cooperative endeavour and making this information accessible to Canadians.**
 - Through the NSS Strategic Transition Initiative Project (STIP), progress on the development of a performance measurement tool is underway in conjunction with the revitalization of SAR program policy, plans and structures.

- **Improving modern comptrollership under the New SAR Initiatives Fund (NIF).**
 - NSS managed the \$8.1M NIF fund to within 1 per cent of the approved budget to meet the 2 per cent DND goal for the second consecutive year.
 - Six NIF projects were audited and an overall review of the effectiveness of the NIF program was completed.
 - The NIF Program Guide was modified to require more detailed information in the areas of project management, communication and evaluation from program participants.
 - Eighty-eight (88) NIF projects were funded (34 continuing; 54 new); 48 were completed.

- **Developing and implementing an improved prevention program.**
 - ICSAR approved the Prevention Working Group program vision, objectives and enabling strategies and Performance Path and Best Practices Guide. A development project on prevention surveillance was initiated.
 - The Prevention Working Group initiated a best practice review activity and provided feedback to prevention partners on how to improve on-going prevention activities.

Result 2: Effective information and tools by:

- **Reviewing, evaluating and auditing focused issues of interest and concern to senior SAR managers.**
 - Independent and objective SAR review services continued with the completion of the fifth year of a 5-year review cycle. To date, Response; Cooperation; Prevention; Volunteers; and Research and Development program components have been reviewed. As a result of the Response Review, agreement was reached on the requirement for improved coordination and accountability and a revitalized SAR program.
 - Four issues of SARSCENE magazine were published, circulation 12,500, to share information and awareness with the Canadian SAR community. A revised brochure was produced on the roles and responsibilities of the NSS.
- **Collecting data on SAR incidents to help improve program development and decision-making capabilities.**
 - Significant progress has been achieved in getting the RCMP, Ontario Provincial Police (OPP), Sûreté du Québec (SQ) and the Royal Newfoundland Constabulary (RNC) to standardize their SAR data collection and to send it to a central registry in NSS. A contract is in place to make the system operational.
- **Using the single Canadian Beacon Registry and disseminating information to stakeholders.**
 - The Beacon Registry has registered data on over 5,200 beacons (ELTs (80), EPIRBs (4,024) and PLBs (1,150)) for use by the Canadian Mission Control Centre (CMCC).

Result 3: Influential national and international partnerships by:

- **Coordination and focus on an improved SAR vision and objectives.**
 - The STIP is tasked with presenting recommendations on how to revitalize a fully integrated the NSP based on the continuing requirement for a multi-jurisdictional SAR partnership.
 - Through the STIP, guidance will be provided to federal SAR partners on overall SAR program policy, plans, revitalized horizontal structures, and horizontal strategic management processes.
 - Development of formal and informal SAR partnerships continued through NIF in thirteen (13) NIF projects with non-governmental organizations (NGOs).
 - All provinces and territories cooperated in an on-going project to harmonize ground search and rescue training and proficiency standards to ensure consistency and high quality response standards.
- **Supporting Canadian COSPAS-SARSAT initiatives.**
 - NSS continued to support COSPAS-SARSAT policy development through participation in working groups, committees and the council. In addition, the NIF funded two initiatives to improve the Canadian COSPAS-SARSAT ground segment

➤ **Continuing to hold annual SARSCENE workshop and tradeshow and expand its scope to include international partners for better exchange of SAR information and expertise.**

- The SARSCENE workshop in St. John's, NF, October 1999 had the highest attendance on record with over 702 attendees, 48 trade show exhibits and 60 information sessions. NSS awards were given to recognize outstanding SAR contributions and achievements.

A summary of SAR personnel requirements and program costs follows:

Figure 1: Details of Personnel Requirements by Departments (FTEs)

	Actual 1997-98	Actual 1998-99	Actual 1999-00	Estimates 2000-01	Planned 2001-02	Planned 2002-03
National Search and Rescue Secretariat	15	15	15	16	18*	18
Environment Canada	14	14	14	14	14	14
Department of Fisheries and Oceans	817	815	717	815	815	815
Department of National Defence	750	742	741	733	726	719
Parks Canada Agency	67	64	67	67	67	67
Transport Canada	7	7	7	7	7	7
Total	1,670	1,657	1,561	1,652	1,647	1,640

* Note: The NSS has acquired the services of one officer for FY99/00 and four more from FY 00/01 onward.

Figure 2: Costs (\$000) for National Search and Rescue Secretariat

	Actual 1997-98	Actual 1998-99	Actual 1999-00	Estimates 2000-01	Planned 2001-02	Planned 2002-03
Operating	1,648	1,8323	1,752	1,954	1,954	1,954
Capital	10,422	7,981	7,868	8,195	8,195	8,195
Grants and Contributions **	248	709	903	215	215	215
Total	12,318	10,523	10,523	10,364	10,364	10,364

** Note: Grants and contributions – Actuals for FY 97/98 and FY 98/99 include Canada's share of costs, as required by international agreement, for the COSPAS-SARSAT organization, and contributions to provinces/territories for approved New SAR Initiatives Fund (NIF) projects. Estimates 2000-01 are only COSPAS-SARSAT costs as NIF amounts have yet to be approved.

Figure 3.: Costs (\$000) for National Search and Rescue Program

	Actual 1997-98	Actual 1998-99	Actual 1999-00	Estimates 2000-01	Planned 2001-02	Planned 2002-03
National Search and Rescue Secretariat	12,318	10,522	10,523	10,364	10,364	10,364
Environment Canada	985	985	985	985	985	985
Department of Fisheries and Oceans ***	91,374	71,771	89,961	144,700	148,718	146,422
Department of National	98,631	158,412	261,218	365,745	330,414	180,829

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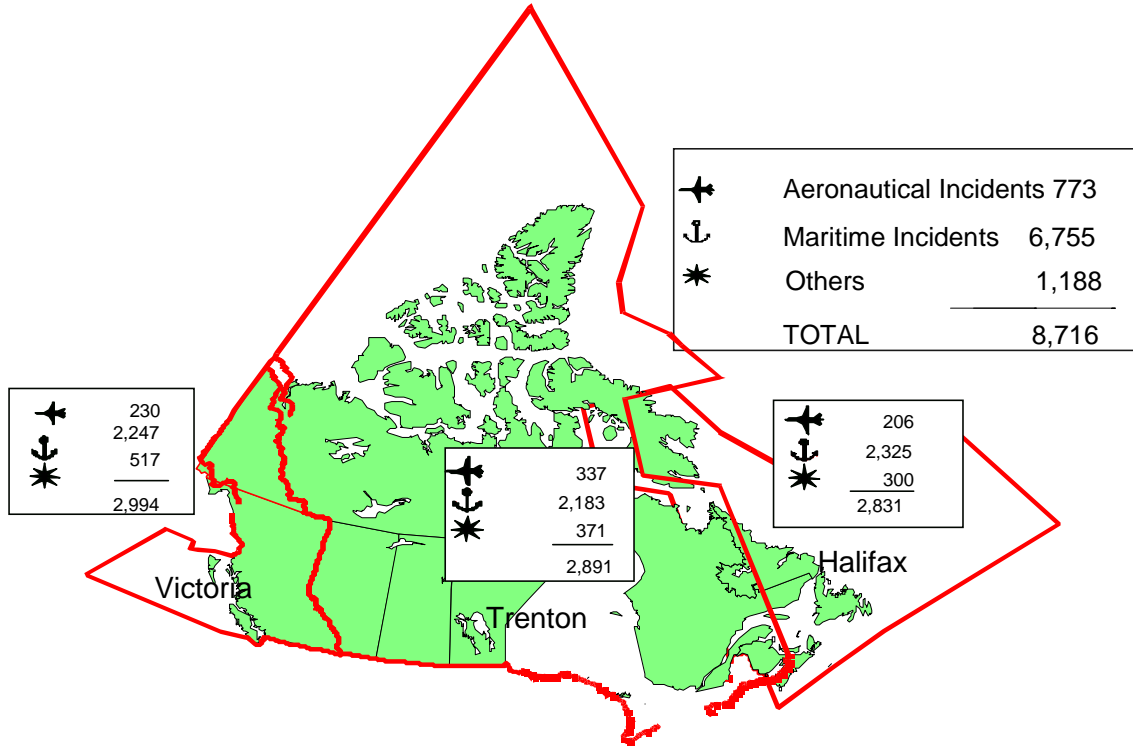
Defence

Parks Canada Agency	4,961	4,542	4,929	4,929	4,929	4,929
Transport Canada	873	885	895	905	915	925
Total	209,142	247,117	368,511	527,628	496,325	344,454

*** Note: DFO(CCG) In order to maintain the integrity of maritime SAR in an environment of fiscal restraint, Canadian Coast Guard implemented a revitalization initiative which will address program demand and coordination issues over the next three years. Investments will be aimed at restructuring the current strategic mix of vessels to ensure that SAR coverage is maintained on the Atlantic and Pacific coasts and the Great Lakes.

To reduce the annual level of boating fatalities and accidents, Competency of Operators of Pleasure Craft Regulations, Age-Horsepower Restrictions and changes to the Small Vessel Regulations were introduced on April 1, 1999. The Canadian Coast Guard conducted an extensive boating safety campaign to promote the new boating safety regulations. Canadians were informed through national television, print ads in newspapers and magazines, contests, participation in boat shows, distribution of brochures, posters, 2 million copies of the Safe Boating Guide and access to the 1-800-267-6687 Boating Safety Infoline and Web site at <http://www.ccg-gcc.gc.ca/main.htm>.

Canadian SAR Incidents 1999



Emergency Preparedness Canada

Emergency Preparedness Canada (EPC) is the Government of Canada's primary agency through which it seeks to achieve an appropriate level of civil emergency preparedness in Canada.

EPC derives its mandate principally from the *Emergency Preparedness Act* and *A Federal Policy for Emergencies*, and has as its mission to safeguard lives and reduce damage to property by fostering better preparedness for emergencies in Canada. It strives to guide and stimulate the co-ordination of efforts to further emergency management objectives and goals in Canada.

Effective emergency management refers to the responsibility and capacity of individuals and governments to manage all types of emergencies and disasters (both human-induced and natural) by co-ordinating the actions of all players. To be effective, emergency management encompasses all four phases of emergency activity: mitigation, preparedness, response and recovery.

Although EPC has a mandate to promote, encourage and co-ordinate emergency planning by other federal departments/agencies and at other levels of government, organizations other than EPC are accountable for ensuring an appropriate level of preparedness in their planning activities to deal with mandated responsibilities. Consequently, measures of EPC's performance necessarily focus on the range and extent of its interactions, and its development of various tools, exercises and training packages to assist departments and other governments in the enhancement of emergency management capabilities such as the development of civil emergency plans in Canada and abroad.

➤ Performance Accomplishments

Achievements during the reporting period included the following:

- **Millennium transition.** EPC focused its attention primarily on preparations for the transition to the new millennium. Working through the National Contingency Planning Group (NCPG), EPC co-ordinated the development, exercising and testing of the federal government's monitoring and response capability. EPC played a leading role in developing and implementing VALIDEX, one of the largest exercises ever undertaken by the Government of Canada, which tested contingency capacities of federal, provincial and private sector partners. EPC's activities during the transition period also included the responsibility for national monitoring and situation reporting and provincial/territorial interface co-ordination through its operations centre, while at the same time maintaining its capacity to co-ordinate the federal response to requests for assistance in the case of emergencies or disasters. Other activities included providing communications support to both NCPG and Treasury Board Secretariat tasks related to the transition to the new millennium, and the development of a concept of operations and related operating procedures for communications during the Y2K Transition Period. Funded through EPC and NCPG resources, EPC's Y2K-related expenditures were just over \$3.7 million for fiscal year 1999-00.

The legacy of the Year 2000 experience includes an increased awareness by all governments, the private sector and the public of the prudence and importance of planning for emergencies, and ensuring that we work towards reducing the risk to Canadians. Key enhancements of telecommunications and information management infrastructure and protocols to support the emergency management community were implemented. These ensured the high level of connectivity required to support information exchange and a robust response capability to respond to any event during the Transition Period and beyond. Lessons learned are also being applied to the enhancement of the Government of Canada emergency management framework.

➤ **Nuclear Emergency Response Plan.** EPC worked with Health Canada and other federal departments and agencies on the development and execution of CANATEX 3, an extensive and complex exercise carried out in April 1999 to test and refine the Nuclear Emergency Response Plan. Lessons learned in that exercise were also helpful in refining plans for the transition to the Year 2000.

➤ **Public Information Program.** During the lead up to the new millennium, EPC continued its public information program to raise public awareness of emergency preparedness principles and benefits. Working in partnership with provincial/territorial emergency measures organizations and major volunteer sector organizations such as the Red Cross, EPC distributed approximately 2.5 million copies of its primary booklet, *Be Prepared Not Scared*, to Canadians from coast-to-coast. In addition, under the auspices of the federal and provincial and territorial governments, the annual joint awareness campaign known as *Emergency Preparedness Week* was held during the first week of May to further sensitize the public and heighten their awareness of the need to plan and prepare for emergencies/disasters.

➤ **Emergency Preparedness Training.** In fiscal year 1999-00, EPC continued to work in partnership with the provincial and territorial governments to provide emergency preparedness training to thousands of Canadian practitioners. The provinces and territories concentrated on providing basic level courses, while EPC's Canadian Emergency Preparedness College (CEPC) focused on the delivery of advanced level training. In addition, CEPC staff provided training to Eastern European countries under NATO's Partnership for Peace Program. A training survey of officials at provincial and territorial emergency measures organizations was also completed, providing essential background information that will be utilized in ongoing discussions regarding the development of a new national training strategy.

➤ **Research Projects.** EPC carried out 13 policy and operations-oriented short-term research projects over the reporting period. They were initiated to develop advances in knowledge and technology, thereby resulting in better preparedness for emergencies. Topics included assessment of flood mitigation measures in Canada, the use of Canadian wireless telecommunication networks during natural disasters, and civilian applications of Global Hawk and other High Altitude Long Endurance (HALE) platforms for emergency preparedness and disaster mitigation. Research was also carried out to refine EPC's natural hazard risk assessment model.

➤ **Grants and Contributions.** EPC administered grants and contributions programs in fiscal year 1999-00 to encourage emergency preparedness and response activities and assist in the recovery from emergencies and disasters. In

particular, under the *Disaster Financial Assistance Arrangements*, payments in excess of \$211 million were issued to the provincial and territorial governments to assist in the cost of dealing with disasters. In addition, through the cost-shared *Joint Emergency Preparedness Program*, the federal government, in consultation and co-operation with provincial and territorial governments, agreed to contribute in excess of \$4.6 million to projects designed/approved in fiscal year 1999-00 to enhance the national emergency response capability.

The ultimate result of these and other activities is an enhanced state of emergency preparedness in Canada that contributes significantly towards meeting the Government of Canada key priorities to ensure the safety and security of Canadians. While the transition to the new millennium was uneventful, the ongoing refinement of the emergency plans throughout the reporting period, along with other initiatives, including a much-improved informatics and telecommunications network to serve the emergency management community, have advanced the state of civil emergency preparedness in Canada. In particular, the measures undertaken in concert with the National Contingency Planning Group in fiscal year 1999-00 are expected to enhance the ability to safeguard lives and reduce damage to property in the future.

Communications Security Establishment and the National Cryptological Program

Agency Overview and Mandate

The Communications Security Establishment (CSE) is an agency of the Department of National Defence. CSE was established in 1946 and became part of the Department of National Defence in 1975. As Canada's national cryptologic agency, the CSE forms part of the intelligence and security infrastructure supporting the Government of Canada. In this capacity, it accomplishes its mission through two distinct but related cryptologic program components – signals intelligence and information technology security.

Signals intelligence is the collection and study of, and the production of intelligence reports from, foreign radio, radar and other electronic emissions. Signals intelligence provides unique and timely information on the intentions, capabilities and activities of foreign states, organizations or persons. This intelligence is used by policy makers to resolve issues relating to the defence of Canada or the conduct of its foreign affairs. The CSE receives assistance in the conduct of signals intelligence activities from the Canadian Forces Informations Operations Group which operates from a number of stations in Canada.

The Information Technology Security Program's mission is to deliver solutions which help the federal government achieve an appropriate level of security for its telecommunications and automated information systems. The CSE helps to protect the Government's sensitive information assets and the privacy of citizens. In addition, the Information Technology Security program, through its association with industry, contributes to the development of a national information technology security capability that provides employment at home and export opportunities abroad. To fulfil its mandate, this program has five specific objectives:

- to furnish advice, guidance and services to the Government on the planning, acquisition, installation, and procedures for use of secure communications systems
- to supply cryptographic keying material, devices and documentation
- to conduct research, development and evaluations on the security aspects of automated information and communications systems, with a view to advising clients on the security of these systems and their application in Government
- to advise and guide Canadian industry in developing secure communications and electronic data processing systems for government requirements, and
- to provide advice, guidance and services for the protection of the security and privacy interests of Canadians in the transactions of electronic commerce.

Accountability

The Minister of National Defence is answerable to Parliament for all the CSE activities. The Minister approves capital spending for the CSE and major spending recommendations made to Treasury Board. The Minister also approves the CSE's key policy initiatives and is responsible for CSE-related issues in Cabinet.

Two Deputy Ministers, the Deputy Secretary to Cabinet for Security and Intelligence in the Privy Council Office and the Deputy Minister of National Defence, are responsible for

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ensuring that the Minister is fully informed of the CSE's activities. The Deputy Secretary is accountable for the CSE's policy and operations, and the Deputy Minister of National Defence is accountable for administrative matters affecting the CSE.

The Communications Security Establishment responds to foreign intelligence priorities approved by Ministers. As well, the Communications Security Establishment responds to specific event-driven intelligence needs of government departments.

Communications Security Establishment's Resource Profile

(thousands of \$)	Actual FY 97-98	FTE 97-8	Actual FY 98-9	FTE 98-99	Actual FY 99-00	FTE 99-00
Salary and Personnel	57,183	892	49,417	890	52,950	899
Operations and Maintenance	18,729		24,875		20,353	
Total Operating Requirement	75,912		74,211		73,303	
Capital	38,340		25,541		39,009	
Total Requirement	114,252	892	99,752	890	112,312	899

Ombudsman

BACKGROUND

The Office of the National Defence and Canadian Forces Ombudsman was established as part of an extensive set of changes designed to improve openness and accountability within DND/CF. André Marin was appointed to the newly created position in June 1998, and the Office became operational on June 16, 1999 through ministerial directives and a Defence Administrative Order and Directive (DAOD). It was agreed that after a six-month trial period, the directives would be reviewed and amended as experience indicated necessary, before being incorporated into regulations.

MISSION

The DND/CF Ombudsman operates as a neutral third party, independent of the chain of command and civilian management. The role of the office is to ensure that all members of DND/CF are treated fairly and to contribute to substantial and long-lasting improvements in their welfare. This is achieved through responding to individual complaints and, where appropriate, making recommendations to address systemic issues.

PERFORMANCE, 1999-2000

➤ Status Reports

The Office issued several status reports over the course of the year. The first of these was the *100-Day Report Card*. In the report, the Ombudsman set out the Office's main priorities for the year ahead and provided an overview of the cases received by the office during its first few months of operation.

In December 1999, Mr. Marin issued a report entitled *A Regulatory Regime for the Ombudsman*, which set out in detail the changes needed to the Office's directives before incorporating them into regulations. The report also contained a set of draft regulations, written by an experienced legislative drafter. Negotiations are still underway between DND/CF and the Ombudsman's Office regarding certain aspects of these regulations.

➤ Complaints

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

During fiscal year 1999-2000, 1,294 complaints were received. The main areas of concern were, in descending order: benefits, release, harassment, military justice, postings and medical treatment. The table below provides a breakdown of the various constituent groups that contacted the Office for assistance.

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Complainant Category	Total Complaints
Cadets	11
Civilian Employees	41
Military Family Members	57
Former CF Members	246
Former Civilian Employees	18
Regular Force	564
Reserves	100
Other	114
Total	1,151*

The total is lower than the 1,294 complaints received because some individuals lodged more than one complaint.

➤ Major Investigations

The Office completed three major investigations over the year. As a result of these investigations, the Ombudsman made recommendations to resolve systemic problems relating to such issues as conflict of interest and treatment of sexual assault victims. To date, the Ombudsman's recommendations have been accepted in principle by all parties.

➤ Case Tracking Management System

In December 1999, the Office's Case Tracking Management System (CTMS) was installed. The system tracks cases from start to finish, thereby enabling the Office to ensure that cases are dealt with promptly and effectively. The system serves as a valuable resource in gathering statistics and monitoring trends, and will help identify problems and systemic issues within DND/CF.

➤ Budget

The Office's total budget for fiscal year 1999-00 was \$2,676,800, while actual expenditures, excluding final year-end adjustments were \$2,605,730. Of this amount, personnel costs were \$707,120 and professional and special services accounted for another \$776,976, together making up about 57% of total expenditures. Costs associated with setting up the Office, including rent, furniture and equipment, amounted to \$847,458, or 32.5% of all expenditures. All other expenses, including travel, postage, telephone, communication and office materials accounted for the remaining \$274,176.

More information can be found at <http://www.ombudsman.dnd.ca/>

Defence Research and Development Canada

On 1 April 2000 the Defence Research and Development Branch (DRDB) became an Agency and Level 1 organization within the Department of National Defence, with the new name of Defence R&D Canada (DRDC). Defence R&D Canada consists of a headquarters, located in Ottawa, and five Defence Research Establishments (DREs):

- Defence Research Establishment Atlantic (DREA), in Halifax. DREA Performs R&D in undersea warfare, naval platform technology and naval command and control.
- Defence Research Establishment Valcartier (DREV), near Quebec City. DREV is the main centre for R&D related to weapon systems, electro-optics and command and control information systems.
- Defence Research Establishment Ottawa (DREO) is responsible for R&D in electronic warfare, radar, space systems and telecommunications.
- Defence and Civil Institute of Environmental Medicine (DCIEM) in Toronto conducts R&D in human performance, human-systems integration, simulation and training, military operational medicine, and life support systems.
- Defence Research Establishment Suffield (DRES) in southeastern Alberta carries out R&D in chemical and biological defence, military engineering and tactical vehicle systems.

➤ Vision

As Canada's lead defence science and technology (S&T) organization, the vision of Defence R&D Canada is to provide S&T leadership to the Department, the Canadian Forces and the Canadian defence industrial base through the 21st century.

➤ Mission

The mission of Defence R&D Canada is to:

- Facilitate and enhance the ability of decision makers to make informed decisions on defence policy, force generation, and procurement by providing expert S&T knowledge;
- Contribute to the success of military operations by pursuing R&D activities that provide improved support, knowledge, protection, and response to potential threats;
- Enhance the preparedness of the Canadian Forces by assessing technology trends, threats and opportunities, and by exploiting emerging technologies;
- Contribute to the creation and maintenance of a Canadian defence S&T industrial capability that is internationally competitive, by contracting-out to industry, by transferring technology to industry and by entering into partnerships in which cost and risk are shared; and
- Conduct S&T projects for clients external to DND, in order to assist the Agency in developing and maintaining its defence-related technological capabilities.

➤ **Performance Accomplishments**

Over the past few years, Defence Research and Development Canada (DRDC) has set key objectives for the organization to accomplish. The five key objectives for 1999-00 and the record against them are:

1. In partnership with the strategic planning element of the Department, to develop a Canadian position on the Revolution in Military Affairs.

- DRDC moved quickly on this initiative and completed it in 1999, as described in last year's Annual Report.

2. To have at least 10 S&T initiatives/products developed by the Branch adopted for implementation by the CF.

- Many such "products" were implemented ten of which are listed below:
- Canadian Infrared Ship Signature and Ship Engagement Model
 - Feasibility of integrating a fuel cell power plant into a submarine
 - FIXOR—replacement for C4 in landmine neutralization
 - Soldier Information Requirements
 - Electronic thermal neutron activation
 - Pyrophoric decoy flares
 - Heads-Up display for the *Griffon* helicopter night vision goggle
 - AIM-9 missile shelf-life extension
 - Rapid Response Communications Package
 - New deep diving table

3. To develop a Technology Investment Strategy that responds to the needs of the Department and the CF in 2020.

- Considerable progress on this objective was noted in last year's Annual Report. The Technology Investment Strategy has been documented and published.

4. To initiate at least five new Technology Demonstration Projects.

- The Branch has launched a Technology Demonstration Program (TDP) to demonstrate and validate technological solutions to CF operational requirements. The Program also gives our partners the opportunity to evaluate and display the utility of technology insertion. Six TDP projects got underway in 1999.

5. To establish a business development strategy that maximizes the benefits of defence R&D. Targets for 1999-2000 are to leverage \$26 million from external partners and to generate \$3 million from external sources.

- In 1999-2000, we exceeded each of these targets by roughly \$1.5 million.

Overall, DRDC achieved 76% of the 377 milestones it set for itself in 1999-00, making a noticeable improvement on the previous year's performance.

Legislation and Regulations Administered

The Minister of National Defence is assigned relevant responsibilities in the administration of the following Acts:

- Aeronautics Act
- Army Benevolent Act
- Canada Elections Act (under the general direction of the Chief Electoral Officer, the Department of National Defence administers the Special Voting Rules, Schedule II to the Act, as they relate to Canadian Forces electors)
- Canadian Forces Superannuation Act
- Defence Services Pension Continuation Act
- Emergencies Act
- Emergency Preparedness Act
- Garnishment, Attachment and Pension Diversion Act
- National Defence Act
- Pension Benefits Division Act (with respect to members and former members of the Canadian Forces)
- Visiting Forces Act
- Fisheries Act
- Department of Public Works and Government Services Act
- Canadian Environment Assessment Act
- Canadian Environment Protection Act
- Auditor General Act
- Official Languages Act
- Employment Equity Act

Recognizing our People

The Deputy Minister Commendation recognizes meritorious achievements by personnel of the Department of National Defence. The achievements, exceptional and outstanding in nature, may involve the performance of a deed or activity considered beyond the demands of normal duties, may relate to community or volunteer service, may have resulted in a benefit to the Department, or may have brought credit to the Department. The 23 recipients of the 1999 Deputy Minister Commendation are:

Dr. W.S. (Scot) Robertson, Director Defence Analysis – VCDS

For his exceptional achievement in the service of the Department of National Defence through his dedication and outstanding contribution as a defence scientist, to the advancement of strategic Defence Planning and Strategy Formulation that will impact the future effectiveness of the Canadian Forces and the Department.

LCol J.P. Van Boeschoten, Director Policy Development – ADM (Pol)

For his performance in the policy development team, playing an essential role in helping the Policy Group achieve many difficult objectives.

Mr. Michael A. Proctor, Director Telecommunications and Spectrum Engineering and Support – ADM (IM)

For outstanding leadership and project management skill in successfully delivering the Op ABACUS Satellite Contingency Network in record time and despite significant technical and operational challenges.

Mr. Scott Russell, National Search and Rescue Secretariat

For outstanding achievement in the establishment of an atmosphere of trust and respect between client departments and the National Search and Rescue Secretariat; and successful completion of the Review of SAR Response Services of federal Search and Rescue in June 1999, when its findings were approved in principle by the Interdepartmental Committee on Search and Rescue.

Mr. Rem C. Westland, Director General Realty Policy and Plans – ADM (IE)

For outstanding achievement, particularly for his pioneer work as the first Director General of Aboriginal Affairs in the Department of National Defence, his leadership – upon moving to the position of Director General Realty Policy and Plans – in creating the Real Property Institute of Canada, and his development of a Realty Asset Strategic Plan for the Department.

Mr. Reginald Jones, Fleet Maintenance Facility Cape Scott – CMS

For outstanding work related to the Fleet Maintenance Facility Cape Scott's Lost Time Management System.

Mrs. Cynthia Lafreniere, J2/Director General Intelligence – DCDS

For outstanding achievement, dedication and contribution to the Special Material Control Program of the Department of National Defence.

Group award to the Machining Services Work Centres – FMF Cape Scott

Awarded to the staff of the Machining Services Work Centres, shops 070 and 071, in recognition of their outstanding contribution to public service for two full years of accident-free service at the Fleet Maintenance Facility Cape Scott.

Ms. Sue Lajoie, Directorate Access to Information and Privacy – ADM (FIN CS)

For outstanding performance as Acting Director Access to Information and Privacy during the period September 1999 to May 2000.

Group award for 16 Wing Headquarters (Major Helen Adam, Ms. Lise Menini, Capt Mark Russell, Sgt Daniel Watchorn, MCpl Mrk Durdin, MCpl Paul Howe) – CAS

For outstanding work in their role in the development of the Unit Discipline Training package.

Mrs. Louise Bellefeuille-Prégent, Directorate of Arms and Proliferation Control – ADM (PoI)

From June 1995 to June 2000, Mrs. Louise Bellefeuille-Prégent served the Department with distinction, tirelessly handling sensitive DND, Canadian Forces and federal government files that influenced Canada's image around the world.

Directorate Policy Development / Directorate Cabinet Liaison – ADM (PoI)

Mr. Marc Whittingham, Ms. Christine Rollo, Mr. Claude LeBlanc and Mr. Vincent Rigby performed exceptionally well as part of the policy team that helped achieve many difficult objectives associated with maintaining Canada's defence capability.

Mr. Severn Blades, Directorate Civilian Employment Policies – ADM (HR-Civ)

For outstanding dedication in securing civilian employment opportunities for disabled members of the Canadian Forces.

Mr. Dennis Hughes, Directorate Financial Operations

For his outstanding professional conduct, sense of teamwork and unwavering dedication to duty in support of the Foreign Military Training program, which resulted in significant financial savings for both DND and its allies.

Mr. René Bornais, Directorate of the Budget

In recognition of excellence in the performance of his duties as a section chief in the Budget Directorate.

Contact Information

This document, as well as other information on the Canadian Forces, is available on the Department of National Defence Web Site (D-NET) at www.dnd.ca.

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