



National Defence

Performance Report

For the period ending
March 31, 1998

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 what was known as the annual *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report*.

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.

This year, the Fall Performance Package is comprised of 80 Departmental Performance Reports and the government's "*Managing For Results*" report.

This ***Departmental Performance Report***, covering the period ending March 31, 1998, 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 *Part III of the Main Estimates* or pilot *Report on Plans and Priorities* for 1997-98. The key result commitments for all departments and agencies are also included in *Managing for Results*.

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 and develop both managing for and reporting of results. 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:
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DEPARTMENTAL PERFORMANCE REPORT
FOR THE PERIOD ENDING 31 MARCH 1998



Canada



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Executive Summary

The defence of a nation's sovereignty is fundamental to safeguarding its values and way of life. The Department of National Defence and Canadian Forces have a proud history of defending our national interests throughout the world in times of conflict and peace. The sacrifices of individual Canadians while serving their country in times of conflict are remembered each year by a grateful nation. This document will highlight the contributions that the Department of National Defence and Canadian Forces continue to make towards preserving the values and way of life of what has been described by the United Nations as the best place to live in the world. In



addition, this report will also outline the Department's contribution to the defence of Canada from the interception of aircraft carrying shipments of illegal drugs destined for our streets, to rescuing people from ship wrecks or the ravages of floods, ice storms and other natural disasters. It also demonstrates our commitment to the defence of North America through the vigilant surveillance and control of our nations' airspace under the North American Aerospace Defence (NORAD) agreement, to our continued

cooperation with the United States (US) in many other endeavours. In addition, our participation in multi-lateral operations, under the auspices of North Atlantic Treaty Organization (NATO) and the United Nations (UN) to promote stability in the international environment, are covered in detail. Finally, some of the sacrifices that individual members of the Canadian Forces continue to make in serving their country throughout the world have been recognized.

This performance report demonstrates the impressive magnitude of departmental activities carried out on a routine basis. The Department of National Defence's extensive worldwide operations demand a complex and extensive support system to enable the more than 100,000 military and civilian members of the 'Defence Team' to carry out their mission. In order to meet its growing commitments within the reduced defence spending envelope, the Department of National Defence and Canadian Forces continue to strive to reduce costs in overhead through increased efficiencies. Therefore, the Department continues its major renewal and re-engineering activity, which is having a positive impact on efficiency thereby increasing the proportion of funds available for operational forces. The following are some examples of the extent of our military activities during 1997-1998:

- ◆ We deployed and supported approximately 2,000 Canadian Forces personnel overseas to serve in 19 different Canadian Forces or United Nations missions in 13 countries around the world, including Haiti, Bosnia-Herzegovina, Cambodia, Guatemala, Africa and the Middle East;



- ◆ We deployed approximately 17,000 personnel on operations during the peak of domestic and international activity;

- ◆ We delivered over 280,000 Kg of Humanitarian Aid worldwide, which represents an increase of 46% from the last reporting period;



- ◆ We managed over \$14 billion in assets, comprising 25 bases and stations, over 20,000 km² of land, almost 33,000 buildings and apartments and over 14,000 Works (roads/jetties/airports/utilities etc.);
- ◆ Our Search and Rescue teams responded immediately and effectively to over 6500 Search and Rescue incidents, saving the lives of 1,036 people;
- ◆ During the flood disaster in the spring of 1997, the Manitoba provincial authorities requested Department of National Defence assistance. The Canadian Forces rapidly provided aircraft, helicopters, manpower, boats, logistical support and water purification to name a few; and
- ◆ During the Ice Storm which paralyzed Eastern Ontario, Southern Quebec, and parts of New Brunswick in January 1998, the Canadian Forces deployed approximately 16,000 troops to assist the devastated regions. This was the largest deployment of Canadian troops and equipment since the Korean War. In total, over 22,000 Canadian Forces personnel and Department of National Defence employees assisted in this crisis.
- ◆ We supported some 1,100 cadet units, 27 summer training centres and various gliding, sailing and land training sites located across the country where approximately 60,000 girls and boys in the Cadet Program benefited enormously from this training; and
- ◆ Emergency Preparedness Canada successfully coordinated the federal response to the massive flooding of the Red River Valley in the spring of 1997 and the ice storm in eastern Canada in January 1998.
- ◆ Our Sustainable development Strategy, entitled *Environmentally Sustainable defence Activities* was tabled in Parliament and demonstrates our commitment to help shape a better future for Canada through the application of the principles of sustainable development to the defence of Canada. In fact, our strategy was reviewed by the Office of the Auditor General and stood first in government with respect to conformance with the required timing and content.



The Department of National Defence and Canadian Forces remain committed to serving the interests of Canadians in an unstable and unpredictable international environment. Therefore, the proud heritage of peace keeping will continue to be one of our highest defence priorities. In addition, we have improved the image of the Canadian Forces through improved communication with the public regarding the success of our worldwide operations carried out on behalf of Canadians. The Department will also ensure that excellence in leadership

and openness in the management of the Department remains a priority. The Department is prepared and fully committed to meet these challenges in providing Canadians with a secure environment in which to continue to prosper into the next century.



Section I Message from the Minister of National Defence



I am honoured to present the 1997/98 Performance Report of the Department of National Defence and the Canadian Forces to the Parliament and people of Canada.

The 1997/98 fiscal year was a demanding one for Canada's defence establishment. The men and women -- military and civilian -- of the Department of National Defence and the Canadian Forces tackled these demands head-on and performed their mission with customary skill and dedication.

On the domestic front, the Forces carried out a wide range of tasks, from assisting other Government Departments in protecting the fisheries and the environment to carrying out essential search and rescue operations. They also played a critical role in providing disaster relief and humanitarian

assistance. In January 1998, 15,800 men and women of the Regular and Reserve Forces -- the largest peacetime deployment in our history -- helped civil authorities in Ontario, Quebec and New Brunswick respond to the devastation and hardship caused by the most severe ice storm in memory. As with the deployment of 8,600 Canadian Forces personnel during the 1997 Red River Valley flood in Manitoba, this was a proud achievement for our military. It was a chance to provide direct assistance to Canadians where and when it was most needed. It also reinforced public faith in the professionalism and commitment of the Canadian Forces and underscored the value of maintaining a flexible, multi-purpose military organization even in times of peace.

Internationally, 1997/98 was another busy year, with the Canadian Forces participating in peace support operations throughout the world, including Haiti, Cyprus, the Golan Heights, Iraq, the Sinai, the Arabian Gulf, Bosnia-Herzegovina, the former Yugoslav Republic of Macedonia, Croatia and Cambodia. On average, 2,000 personnel were deployed on operations outside Canada throughout 1997/98. In the former Yugoslavia, 1,300 Canadian Forces personnel serving with NATO's Stabilization Force played a key role in consolidating peace in Bosnia-Herzegovina, while 370 Canadians serving with the Multinational Interception Force in the Arabian Gulf helped ensure Iraq's compliance with the United Nations resolution for weapons inspections. Such operations require excellent equipment, thorough training, organizational skill, physical toughness, mental agility, and astute leadership.

These heavy operational demands were met amidst ongoing change and reform within the Department and the Forces. Canada's defence establishment remains committed to keeping pace with national and international developments and becoming a more efficient and effective organization. The Department made further progress in meeting these goals last year. Most notably, it began implementing the recommendations of the *Report to the Prime Minister on the Leadership and Management of the Canadian Forces* (covering such areas as training, education and professional development; operations; and public affairs) and the vast majority of the recommendations contained in the report of the Commission of Inquiry into the Deployment of Canadian Forces to Somalia.



As well, the defence establishment moved closer to achieving current policy targets of approximately 60,000 and 20,000 respectively for Regular Force and civilian personnel; reduced the number of headquarters from 18 to 12 and put in place a new command and control structure; explored further Alternative Service Delivery options; continued with the restructuring of the Reserves, improving both the Cadet and Canadian Ranger programs and eliminating administrative differences between the Regular and Reserve Forces; and tabled in the House of Commons amendments to the *National Defence Act* to allow for comprehensive changes to the military justice system.

These renewal initiatives are aimed at streamlining the delivery of defence, reducing overhead costs and ensuring that scarce resources are focused on essential operational capabilities. In implementing these measures, the Department's overriding objective has been the maintenance of affordable, multi-purpose, combat-capable forces. Reaching this goal is vital if we are to do the job the government and the people of Canada expect of us. To help us achieve success, I created an external Monitoring Committee on Change last year comprised of eight distinguished Canadians who will monitor the progress of change in our defence establishment and report directly to me on a regular basis.

The Department and the Canadian Forces made solid progress in two other important areas last year: equipment and quality of life. With respect to the former, the navy received four new Maritime Coastal Defence Vessels and the Government announced the purchase of four recently built Upholder diesel electric submarines from the United Kingdom. The army received final delivery of 203 Coyote Light Armoured Reconnaissance Vehicles. And the air force received precision guided munitions and the last of 100 Utility Tactical Transport Helicopters. The Government also announced the acquisition of new Search and Rescue helicopters. These equipment programs, along with many others that are still underway -- from improved combat clothing to new armoured personnel carriers -- will enhance operational efficiency and provide Canadians with the best value for their defence dollars.

The social and economic well being of Canadian Forces members and their families can play just as important a role in ensuring operational effectiveness and high morale as the right equipment. Uncertainty about the future, a high level of operational taskings as well as other social and financial issues, have taken a toll on military members and their families. The Department has, therefore, worked hard to improve the quality of life for Canadian Forces members and their families. It has established a Quality of Life Senior Review Board that provides strategic direction on Human Resources Management. It has also launched initiatives to restore pay comparability between the Canadian Forces and the Public Service, improve the Home Leave Travel Allowance and strengthen the Military Family Support Program. The Department and the Forces are looking forward to the report of the House of Commons Standing Committee on National Defence and Veterans Affairs; it will provide further guidance on ways to improve quality of life in the Canadian Forces.

Current defence policy requires that we maintain combat-capable, multi-purpose forces given the fluid nature of the international environment. It calls for forces that are suitably equipped to defend Canada and Canadian interests and values while contributing to international peace and security. Appropriate funding levels will be critical if this policy is to remain valid over the next few years. The Department and the Canadian Forces are experiencing a 23% decline in the defence budget between fiscal years 1993-94 and 1998-1999 -- a decline, which represents a 30% drop in purchasing power after inflation is taken into account. To date, the Canadian



Forces have been able to carry out each and every task assigned by the Government in accordance with this defence policy. It is a testament to the hard-working people that make up Canada's defence team that it continues to perform so well.

All told, 1997/98 was another successful year for the Department of National Defence and the Canadian Forces. In the face of tremendous challenges at home and abroad, the men and women of our defence establishment carried out their essential mission with skill, courage and commitment. I know that their achievements -- many of which are described in this report -- will be appreciated by Canadians from coast to coast.

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



Section II Departmental Overview

Mandate

The mandate of the Department of National Defence flows from the *National Defence Act*, the Revised Statutes of Canada, 1985, Chapter N-5. Under this Act, the Minister of National Defence is responsible for the management and direction of the Canadian Forces for all matters relating to national defence. As well, the Minister of National Defence is designated the Minister responsible for Emergency Preparedness under the *Emergency Preparedness Act*. Finally, the Minister has also been designated the Lead Minister for Search and Rescue with authority, responsibility and accountability for the coordination of the National Search and Rescue Program.

While Canada faces no direct military threat at present, the global security environment continues to be unstable and unpredictable. Conflict persists within and between states, owing to causes such as ethnic, boundary and resource disputes various forms of extremism and severe economic or demographic stresses. Other issues such as the proliferation of weapons of mass destruction and their means of delivery, environmental pressures and the disintegration of effective governance in a number of countries also present significant security challenges.

Canada must have the ability to protect its sovereignty. It must also be able to control and, should the need arise, defend its land, sea and air approaches. Beyond this, Canada must be able to make an effective contribution to the defence of North America. Canada also continues to have a major stake in global stability. In an unstable world, Canadian interests and values are threatened by transgressions of international law and order, a disregard of the international community's decisions, human rights violations and the disruption of foreign trade.

As outlined in the 1994 Defence White Paper, the Canadian Forces will protect Canada's national territory and areas of jurisdiction. Canada will also continue to cooperate with the US in the Defence of North America through a variety of bilateral arrangements, including the NORAD agreement, and to participate in multilateral operations under the aegis of the UN, NATO, or coalitions of like-minded nations. Canada will maintain its ties with traditional allies and will endeavour to strengthen ties with the countries of Central and Eastern Europe, Latin America, the Asia-Pacific region and Africa. Canada will maintain multi-purpose, combat-capable maritime, land and air forces able to conduct joint and combined operations, providing the Government with the flexibility needed to respond, within fiscal constraints, to security challenges at home and abroad.



Vision

Our vision is to be a highly professional defence team, fully capable of executing our mission, and viewed with pride by Canadians.

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.

Objectives

The Minister's review of the Canadian Forces in early 1997 concluded that the role set out in the 1994 Defence White Paper remains fully valid. The Department of National Defence and the Canadian Forces are *to defend Canada and Canadian interests and values while contributing to international peace and security*. Specifically, the Canadian Forces must be capable of the following Defence Missions:

- **Defending Canada.** Protecting Canada's national territory and areas of jurisdiction; helping civil authorities protect and sustain national interests; ensuring an appropriate level of emergency preparedness across Canada; and assisting in national emergencies;
- **Defending North America.** Protecting the Canadian approaches to the continent in partnership with the United States, particularly through NORAD; promoting Arctic security; and pursuing opportunities for defence cooperation with the US in other areas; and
- **Contributing to International Security.** Participating in a full range of multilateral operations through the UN, NATO, other regional organizations and coalitions of like-minded countries; supporting humanitarian relief efforts and restoration of conflict-devastated areas; and participating in arms control and other confidence building measures.

Operating Environment

The Canadian Forces must be prepared for a broad spectrum of operations, which the government may ask them to undertake - to support actively our nation's foreign policy objectives, uphold Canadian traditions and contribute to international peace and security. The maintenance of multi-purpose, combat-capable forces enables Canada to retain the degree of flexibility necessary to carry out its defence tasks and to respond to a wide range of potential operations. Such forces represent a pragmatic, sensible approach.

The Department of National Defence has been a major contributor to the Government's effort to reduce the deficit and control the growth of the national debt. As a result of the Defence Expenditure Review in 1994 and Program Reviews I and II in 1995 and 1996 respectively,



defence funding was reduced by approximately 23 percent in nominal terms and nearly 30 percent in real terms from its 1993-94 level of \$12 billion.

These reductions, like those previously achieved, cut across the full spectrum of the Defence Program, including capital acquisitions, headquarters' strength, defence infrastructure, operations and maintenance, and overhead. The Department of National Defence will continue to implement reductions put in place in previous budgets. Although they are being made in such a way as to maximize the resources available for operational forces, reductions may eventually require adjustments to military capabilities and force structure.

In light of this, and given the current fiscal reality, defence investments continue to be focused on maintaining core capabilities suited to the widest range of defence missions and able to operate effectively with our allies.

Organization by Service Line

In fiscal year 1997/1998 the Department reported both financial and performance information against its service lines, which closely equate to the departmental structure. With the changes to the Expenditure Management System (EMS) under the aegis of the Improved Reporting to Parliament Project, government departments are to report this information against their respective Business Lines. The Department has derived three defence missions from the 1994 Defence White Paper which serve as our 'Business Lines': Defending Canada, Defending North America and Contributing to International Security.

As a result of the changes to the EMS, the Department has commenced work on the Financial and Managerial Accounting System which will permit the linking of financial information to the Departmental Business Lines. It is estimated that two complete reporting cycles will be necessary before the system is able to credibly report in this fashion. Until such time as the system is capable of providing the necessary degree of financial fidelity, Treasury Board Secretariat has agreed that the Department continues reporting to Parliament based on our service lines. This financial reporting is in the same structure as previously reported in the Part III to the Main Estimates.

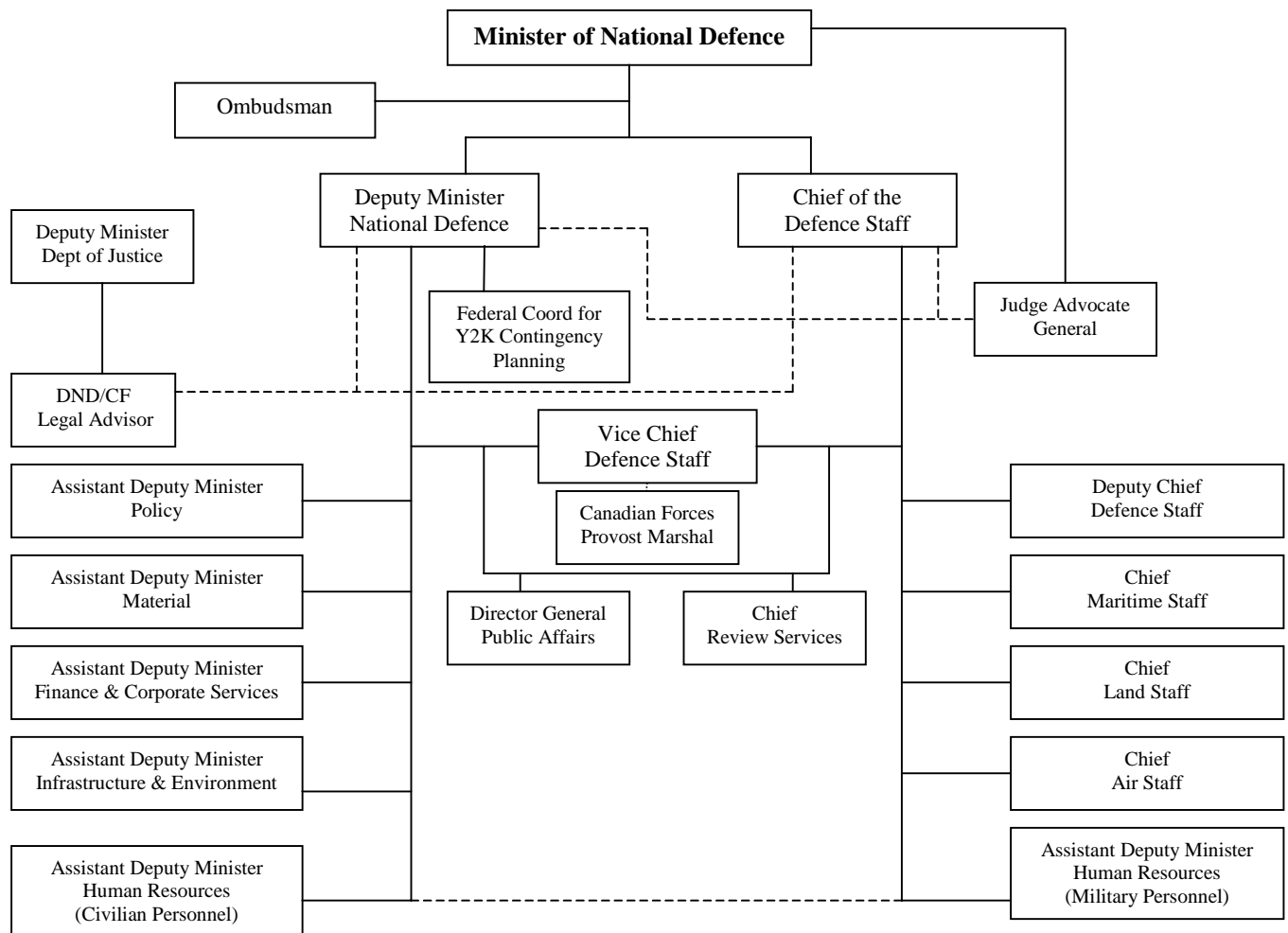
Our Service Lines are:

- Maritime Forces
- Land Forces
- Air Forces
- Joint Operations and Civil Emergency Preparedness
- Communications and Information Management
- Support to the Personnel Function
- Materiel Support
- Policy Direction and Management Services



Primary Responsibilities Diagram

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





Canadian Forces Locations Across Canada



Strategic Priorities

The **strategic priority** of the Defence Services Program (DSP) is to maintain multi-purpose, combat-capable forces to meet the objectives set out by the Government in the 1994 Defence White Paper.

Strategic Priorities for the Development of Future Canadian Forces Capabilities

The Government requires a force structure capable of contributing to the accomplishment of all Defence Objectives identified in Section III of this document. The Government has stated that combat-capable forces need not, and should not, cover the full spectrum of possible military force capabilities. Instead, the emphasis is on maintaining core capabilities that are suited to the widest range of defence roles. In this context, modernization efforts have been focused on those capabilities that clearly support approved roles and tasks. In order to conserve resources and extract maximum benefits, new equipment will be acquired only for purposes considered essential to maintaining core capabilities. The maintenance of multi-purpose, combat-capable maritime, land and air forces will ensure that the Canadian Forces has the flexibility to also respond to the demands of non-combat taskings such as humanitarian relief, disaster assistance and support to other government departments. Changes due to advances in technology and the strategic environment require that Canadian Forces capabilities remain effective in order to counter future challenges. Therefore, there is a requirement to assign priorities on the development of future capabilities within the Canadian Forces to ensure the Government has appropriate forces to respond to future challenges. The development of future



capability has therefore been divided into categories and prioritized as follows: identifying security challenges; protecting Canadian security; participating in multilateral operations; and assisting civil agencies and authorities.

Identifying Security Challenges. Canada needs to have the capability to identify any challenges to Canadian interests and have the ability to respond as required. Primarily this involves maintaining the capability to perform surveillance of our airspace and maritime approaches to our territory, to apply the necessary technology to collect and analyze intelligence regarding possible threats to our nation, and to ensure effective command and control of our forces. In future, the Canadian Forces will also need to pursue technological and doctrinal innovations to ensure that we continue to be inter-operable with our Allies.

Protecting Canadian Security. Should any unauthorized action or hostile forces be detected, Canada must have the military capability to react appropriately. The Canadian Forces must be able to respond to any such event in Canada or within the approaches to our sovereign territory. Primarily this will involve the effective employment of land, air, and maritime capabilities to respond to a wide range of potential threats. These capabilities include flexible and mobile territorial defence forces as well as robust air and sea control assets.

Protecting North America. Canada will continue to work closely with the United States to maintain the capability to defend North America. Our partnership in NORAD is an excellent example of the cooperation and inter-operability that exist between our armed forces and our two nations. The benefits from the enhanced security posture, training opportunities, combined operations as well as cooperation in research and other areas have made this a key element of Canada's defence policy.

Participating In Multilateral Operations. To support Canadian interests abroad, Canada requires the capability to respond to various challenges through the United Nations, NATO, other regional organizations and coalitions of like-minded nations. Therefore, emphasis must be placed on the ability to deploy our combat-capable naval, land and air forces anywhere in the world.

Assisting Civil Agencies and Authorities. Canada also requires the capability to provide assistance to civil authorities. We will maintain the capability to respond to emergency situations such as humanitarian and disaster relief, providing Search and Rescue, evacuating Canadians from areas threatened by conflict and assisting other government departments in fisheries protection, drug interdiction and environmental protection. The capabilities associated with this category shall be derived in the main from the Canadian Forces operational capabilities.



Section III Departmental Performance by Defence Mission

A. Performance Accomplishments

National Defence		
To provide Canadians with:	To be demonstrated by:	
<i>Multi-purpose, combat capable maritime, land and air forces</i>		Page
Defending Canada; Defending North America; and Contributing to International Security	<ul style="list-style-type: none"> ▶ The capabilities to fulfill the operational missions in Canada and around the world 	11
	<ul style="list-style-type: none"> ▶ The capability to monitor and control activity within Canada's territory, airspace and maritime areas of jurisdiction 	13
	<ul style="list-style-type: none"> ▶ The conduct of domestic operations involving assistance to civil authorities and to individuals, including such areas as: <ul style="list-style-type: none"> - the provision of assistance in the event of civil disasters (floods, forest fires, hurricanes, snow and ice storms, etc.) and humanitarian assistance (searches for missing persons, diver assistance, Search and Rescue, etc.); - assistance to other federal government departments (such as counter-drug operations in cooperation with the Royal Canadian Mounted Police and fisheries patrols in cooperation with Fisheries and Oceans Canada); - Provision of vital humanitarian assistance at home and abroad with the CF Disaster Assistance Response Team; and - 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 	12
	<ul style="list-style-type: none"> ▶ The capability to assist in mounting, at all times, an immediate and effective response to terrorist incidents 	18
	<ul style="list-style-type: none"> ▶ 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 	18
	<ul style="list-style-type: none"> ▶ 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 	19
	<ul style="list-style-type: none"> ▶ Deployment on multilateral operations anywhere in the world under United Nations (UN) auspices, or in defence of a NATO member state, contingency forces of up to a maritime task group, a brigade group plus an infantry battalion group, a wing of fighter aircraft and a squadron of tactical transport aircraft 	21
	<ul style="list-style-type: none"> ▶ The capability to assist the Department of Foreign Affairs and International Trade in the protection and evacuation of Canadians from areas threatened by conflict 	22
	<ul style="list-style-type: none"> ▶ Maintenance of a full slate of peacetime commitments to NATO 	24
	<ul style="list-style-type: none"> ▶ Bilateral and multilateral contacts and exchanges with selected partners in Central and Eastern Europe, the Asia-Pacific Region, Latin America and Africa 	22
	<ul style="list-style-type: none"> ▶ The verification of existing arms control agreements, including the Conventional Forces in Europe Treaty, and participating in the development of future accords 	24
		26
<i>A Civil Emergency Preparedness capability</i>		
Humanitarian Assistance and Disaster Relief	<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. 	13



DEFENCE MISSION I: DEFENDING CANADA

This defence mission addresses issues relating to the protection of Canada and integrity of Canada's sovereignty. The goals in this defence mission are to:

1. Protect Canadian sovereignty through surveillance and control of Canada's territory, airspace and maritime areas of jurisdiction

Result to be achieved:

Effective monitoring of Canadian territory and responding appropriately to unlawful incursions



Sovereignty is a vital attribute of a nation-state. For Canada, sovereignty means ensuring that, within our area of jurisdiction, Canadian law is respected and enforced. The government is determined to see that this is so. The capabilities expressed here also have a linkage to other defence missions. The Canadian Forces played a vital role in monitoring Canadian territory as demonstrated by the following achievements:

- ships of Maritime Command and the aircraft of Maritime Air Group maintained military surveillance of Canadian territorial waters and the 200 nautical mile Exclusive Economic Zone.
- maintenance of the North Warning System and coastal radars provided continuous surveillance of Canadian approaches.
- Canadian airspace was effectively monitored through NORAD.
- two sovereignty exercises were conducted at Coppermine, and at Whale Cove, to successfully demonstrate sovereignty and land-based surveillance capabilities and our ability to conduct military operations under harsh arctic conditions. These exercises offered an excellent opportunity for Regular and Reserve Force personnel to work with the Canadian Rangers. Additionally, a chance to assist in community development projects and participate in a valuable cultural interface with northern communities was provided by these exercises. Over 200 army personnel were involved. Three additional planned sovereignty exercises were cancelled as a result of the urgent requirement for assistance to Operation RECUPERATION.



- multi-purpose, combat-capable maritime, land and air assets required to deter unlawful incursions were maintained.



2. Assist Other Government Departments (OGDs) in achieving national goals in areas such as fisheries protection, drug interdiction and environmental protection

Result to be achieved:

National objectives attained in cooperation with other government departments

The Department of National Defence and the Canadian Forces are committed to playing a role, in concert with other government departments, to achieving broad national objectives of environmental protection, drug interdiction, control of illegal immigration, and fisheries patrols. Throughout the year, the Department of National Defence and Canadian Forces provided routine assistance in the form of fisheries patrols and operations in support of the RCMP to help achieve these objectives. Specific examples of our accomplishments are as follows:

- a total of 150 sea days and 885 flying hours were provided by a number of navy ships and air force aircraft in support of Fisheries and Oceans Canada research and patrol activities. Support was provided in surveillance of activities in the Davis Strait and the Grand Banks as well as driftnet surveillance.

 - 60 sea days were provided for preventative patrols in support of the Solicitor General/RCMP coastal patrol activities. These patrols were conducted in order to allow the RCMP the opportunity to raise public awareness and conduct community relations in areas to which they would not normally have access;
- regular support to the RCMP in their conduct of the drug interdiction mission. The Canadian Forces took part in a number of anti-drug operations and had a vital role in the surveillance, tracking and ultimate apprehension of drug smugglers. An example of our effectiveness was through the provision of helicopters and crews to the RCMP's national marijuana eradication program, flying several hundred hours in seven provinces. These helicopters, acting as observation platforms with RCMP air observers, and on one mission played an essential element to the RCMP successfully seizing over 33,000 marijuana plants, representing a street value in excess of \$330,000.
- regular support to the RCMP in two preplanned joint operational exercises in addition to response to no-notice operations.
- responding to over 300 Explosive Ordnance Disposal situations. The incidents ranged from the discovery, in homes or through excavation activities, of old ordnance devices, small arms ammunition recovery, to marine flares washed ashore. The Canadian Forces maintain a cadre of Explosive Ordnance Disposal specialists that provide support to civil authorities as the situation dictates.
- over 1000 Canadian Forces personnel supported the Asia-Pacific Economic Conference (APEC 97) Economic Leaders' meeting, held in Vancouver from 16-25 November 1997. The Canadian Forces provided the state of the art Canadian Patrol Frigate HMCS WINNIPEG communications and logistics infrastructure; and other Forces resources to



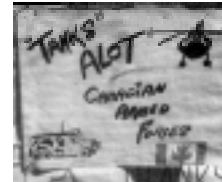
support the summit. In addition, we supported the RCMP with security personnel, harbour patrols, divers and Explosive Ordnance Disposal (EOD) teams. We also provided effective support to Health Canada.

- Canadian Forces personnel supported Heritage Canada in the successful running of the Canada Summer Games through the provision of equipment as well as ceremonial support to the opening and closing ceremonies.

3. Contribute to Emergency Preparedness, Humanitarian Assistance and Disaster Relief

Result to be achieved:

Effective response in providing disaster relief and humanitarian assistance.



The Minister for National Defence is also the Minister Responsible for Emergency Preparedness. Memoranda of understanding between the Department and other government agencies govern the coordination of resources in response to emergencies, and the Department makes an immediate and effective contribution to disaster relief. The Canadian Forces has the ability to react quickly and effectively in response to natural disasters as demonstrated through:

- OPERATION ASSISTANCE and OPERATION NOAH - the provision of timely and effective humanitarian assistance and disaster relief to the victims of the Red River floods.



The consequences of the disaster were profound. The city of Winnipeg and surrounding areas were threatened by the most severe flooding the area has ever experienced. The flooding deluged communities surrounding Winnipeg and many homes were destroyed or severely damaged. Road, railway lines and dam embankments were impassable and thousands of civilians had to leave their homes. The Canadian Forces played a vital role in the provision of assistance to the people of Manitoba

effected by the Red River flooding. For example:

- over 8,600 members, from all three services participated in holding back the Red River.



- military engineers assisted in the building of a 40 km dyke south of Winnipeg in a record 72 hours.

- immediate medical treatments were provided throughout the emergency.

- water/vehicular and helicopter patrols were conducted to protect belongings left in evacuated houses and

- the evacuation of thousands of civilians by the military.

- OPERATION RECUPERATION - Shortly after the worst ice storm of the century hit the provinces of Ontario, Quebec, and New Brunswick in January 1998, civil authorities called on the Canadian Forces, to help restore power to more than one million homes. The multi-purpose combat capable role of the Canadian Forces, with its command and control structures, its communications expertise, and diverse equipment, allowed the military to



respond immediately to the myriad of tasks ahead of them. On 8, 9 and 12 January 1998 respectively, the provinces of Québec, Ontario and New Brunswick formally requested DND assistance in the aftermath of the severe ice storms. At the worst of the crisis, 10% of the Canadian population was without electrical power. Initial military assistance was provided from area headquarters. The operation was quickly expanded to include all nationally available military personnel, aircraft, equipment, materiel and expertise. The Canadian Forces began assembling the largest domestic military operation in Canadian history, and the largest deployment of Canadian Forces personnel since the Second World War. At the height of the crisis, about 16,000 regular and reserve force personnel from Canada's army, navy and air force were deployed throughout the three effected provinces to directly assist national, provincial, and local authorities. An additional 5,000 personnel provided support.

Although about 400 troops were deployed in New Brunswick, the bulk of the Canadian Forces deployment was concentrated in two areas: in the Montreal area under Joint Force



Montreal and in the region south of Ottawa under Joint Force Ottawa Headquarters. Twenty-nine Griffon helicopters were deployed during the operation. In addition, the Canadian Forces organized a military air-bridge that flew over 100 missions transporting such essentials as generators, cots, blankets, and other humanitarian relief efforts.

The Canadian Forces worked around the clock for several weeks performing a variety of tasks to alleviate the impact of the storm:

- airlifting equipment and personnel from all parts of Canada.
- assisting in the restoration of electrical power throughout the area of devastation.
- setting up up eight field kitchens capable of feeding 8,000 people per meal.
- providing support to provincial law enforcement/security agencies.



- conducting house to house visits to ensure the well being and safety of those left with no electrical power and where necessary escort vulnerable individuals to shelters.
- the materiel group provided over 6,000 camp cots and 800 generators from Canadian Forces holdings, and 2,000 additional generators from commercial sources across North America were

moved to the affected areas. 25 Canadian Forces Supply Depot also contributed to the efforts of the Canadian Red Cross and the Québec governments' Directeur-général de la Sécurité publique by receiving and distributing some 60,000 camp cots, 47,000 stretchers and 35,000 blankets. Another materiel group unit, 202 Workshop Depot, repaired 455 generators, 232 vehicles and 30 trailers, thus assisting in the relief efforts.



- the National Defence Logistics Coordination Centre was augmented to enable it to provide constant, round-the-clock coordination of OP RECUPERATION, while maintaining its regular support to all existing Canadian Forces missions overseas.

Result to be achieved:

Fostering better preparedness for emergencies to ensure rapid and coordinated response to emergencies.

Emergency Preparedness Canada supports the Minister in carrying out his mandate to “advance civil preparedness in Canada for emergencies of all types by facilitating and coordinating, among government institutions and in cooperation with provincial governments, foreign governments and international organizations, the development and implementation of civil emergency plans”.

The best measure of the state of emergency preparedness in Canada is what happens when a major emergency occurs. In the wake of disasters such as the 1997 flooding of Manitoba’s Red River Valley and the 1998 ice storm in eastern Canada, coordinated responses were launched which involved municipal, regional, provincial, and federal authorities, as well as non-governmental organizations and volunteers. While it would be difficult to attribute the success of that operation to any single factor, they do offer an indication of Emergency Preparedness Canada’s ability to fulfil its mission to safeguard lives and reduce damage to property by fostering better preparedness for emergencies (*For more information on Emergency Preparedness, refer to Annex E*).

4. Provide a National Search and Rescue (SAR) Capability

Result to be achieved:

Safeguarding human life through the provision of Search and Rescue services to persons lost or in distress.



By Cabinet Directives in 1947 and 1951, the Canadian Forces was given the responsibility for providing an effective SAR system capable of prosecuting aeronautical and maritime incidents in the Canadian SAR area of responsibility. Canada enjoys one of the most effective and successful search and rescue (SAR) programs in the world, which is a remarkable achievement considering Canada’s size, ocean areas of responsibility, challenging geography and inhospitable climate. This record of SAR achievement can be attributed to the unselfish efforts of highly skilled SAR teams.

The Department of National Defence and the Canadian Forces maintain an important role in the Search and Rescue delivery components of the National Search and Rescue Program, such as the provision of air services and the effective operation of the joint Canadian Coast Guard and Department of National Defence air and marine SAR system (please see Annex D for further information). The objectives of the National SAR Program are to: save lives through the detection, location and rescue of persons lost or in distress throughout Canada’s jurisdictional areas; promote the prevention or mitigation of SAR events.




Star of Courage - Awarded March 25, 1998



On November 13, 1996, Search and rescue Technicians Sergeant Kevin Dale Elliot and Master Corporal Darcy St-Laurent parachuted in hazardous weather to rescue four survivors whose helicopter had crashed in the Torngat Mountains of Northern Labrador. The technicians had already effected two unsuccessful searches with flare illumination and were returning to their base because of dwindling fuel, when distress flares were reported from the base of a fiord. With weather conditions worsening, they decided to jump, aware that preparations had to be done in half the normal time, due to low fuel. A landing plateau was identified amidst the 50-metre rock peaks, five kilometres from the crash site. As they jumped, both men were tossed around by turbulence and separated from each other by high winds that carried them away from the plateau, in a blinding snow squall. After a difficult landing, they managed to reunite, and locate their equipment. Sgt Elliot and then MCpl St-Laurent dragged their heavy toboggan during a two-hour night descent of the cliffs, forced from time to time to take shelter. One kilometre from the crash site, they detected a faint light and radioed the information to another rescue team who made its way through the inclement weather and succeeded in airlifting the victims to safety. As there was limited space onboard the helicopter, Sgt Elliot and MCpl St-Laurent stayed behind, constructed a snow cave shelter and waited for recovery.

The Department of National Defence and Canadian Forces delivers primary air SAR services for air and marine incidents; a significant level of secondary SAR support from its fleet of naval and auxiliary vessels and aircraft; and coordinates the activities of the Civil Air Search and Rescue Association. The Department assists civil SAR authorities and also provides ground search and rescue teams to look for people missing from aircraft and marine incidents. The Department of National Defence provides one of the satellite payloads for the COSPAS-SARSAT Alerting System and the Canadian Forces operate the Canadian Mission Control Centre which processes data from distress beacon signals detected by the COSPAS-SARSAT and distributes beacon location data to the Rescue Coordination Centres as well as to Provincial and Territorial SAR Response Agencies. The nature of SAR work is extremely hazardous. Results were demonstrated through:

- being involved in over 6,500 Search and Rescue incidents within the past year.
- 

- saving the lives of 1,036 people.
 - maintaining a SAR team and equipment in each SAR region ready to quickly respond to SAR events upon notification.
 - maintaining a SAR cadre capable of operating in all weather conditions.
- conducting an annual Search and Rescue competition, in which Search and Rescue teams from all SAR units competed. This exercise tests such abilities as maintenance, para-dropping, first aid and navigation skills and also serves to permit an exchange of



information on equipment, training and procedures to assist the SAR teams maintain a high degree of proficiency.

- testing of two, unmanned parachute systems known as the Precision Guidance Air Delivery Systems, which will deliver supplies or equipment by air to a specific point when weather conditions prohibit any other delivery. The requirement for such a system was made evident during the search and rescue operation that followed the crash of Boxtop 22 in Alert, NWT, in November 1991. High winds and stormy conditions hampered SAR



personnel from reaching the crash site for days and when able to airdrop supplies, the unguided parachutes were swept away from the areas they were needed. The adoption of such a system will greatly enhance our capability on rescue missions in remote areas.

- defence scientists developed new technologies that were used for the first time in October 1997 in the search for the crew of the bulk carrier *Vanessa*, which sank in stormy seas 450 nautical miles off Newfoundland. A computer model developed by the Defence Research and Development Branch was used as an aid to decision-

making to predict how long it would take before crewmembers exposed to the harsh elements reached lethal levels of hypothermia. The model helped to determine how long to keep searching, and prevented the operation from being suspended prematurely. In addition the Self-Locating Datum Marker Buoy – still under development by scientists – was dropped by search aircraft at the *Vanessa's* last known position to duplicate the drift of life rafts or of crewmembers at sea. This system uses Global Positioning Satellite data to establish its position and reports that position and the water temperature to Canadian Coast Guard computers via a satellite link. The result of this specific search was that 12 members of the *Vanessa's* crew were saved, and the bodies of four others recovered.

- The announcement that the 13 existing *Labrador* SAR helicopters, that were acquired in the 1960's, will be replaced through the acquisition of 15 new *Cormorant* SAR helicopters. The *Cormorant* will provide better range and a larger cabin, and is more versatile in Canada's demanding climate. One of the most important operational benefits of the *Cormorant* is its increased engine power and third engine. The aircraft delivery will commence during 2001 and conclude by autumn 2002.



Cross of Valour – Awarded February 2, 1998



On November 12, 1996, Search and Rescue Technicians Master Corporal Keith Paul Mitchell and Master Corporal Bryan Keith Pierce, carried out an unprecedented night parachute jump into freezing Arctic waters to provide medical aid to a critically ill fisherman onboard a Danish trawler near Resolution Island, Northwest Territories. Tasked initially as back up to another air rescue team, the Hercules aircraft with Master Corporals Mitchell and Pierce on board arrived first on the scene only to learn that the stricken man had taken a turn for the worse. There was no time to waste so they elected to attempt a risky parachute descent. With inadequate flare illumination and the promised Zodiac boat not yet launched from the Danish trawler, they jumped in extremely strong winds that carried them away from the vessel. As they entered the three-metre waves, MCpl Mitchell became entangled in the shroud lines under his partially collapsed chute canopy, while MCpl Pierces' chute remained inflated and dragged him face down through the water farther away from the ship. Although equipped with dinghies, they could not paddle nor swim to the trawler because of heavy seas and severe icing. Struggling to stay afloat, they battled the onset of hypothermia for 15 minutes before the crew of an ice-encrusted Zodiac picked them up and delivered them to the ship where they carried out medical procedures that saved the patient's life.

5. Assist in mounting an immediate and effective response to terrorist incidents

Result to be achieved:

Terrorist incidents responded to in a manner that minimizes loss of life and suffering

A specially trained Canadian Forces team provides the Government of Canada with the capability for an appropriate armed response for the resolution of a situation that affects, or has the potential to affect national interests. Since its formation in 1992, the team has not yet been employed operationally, although it has been deployed on several occasions.

6. Respond to requests for aid of the Civil Power

Result to be achieved:

Aid provided to the civil authorities

Each Province and Territory may, under Part XI of *The National Defence Act*, to request that the Chief of the Defence Staff take action to restore the authority of the Civil Power, if the Attorney General of that Province or Territory declares in writing that a disturbance of the peace is beyond the capabilities of its police forces. The Chief of the Defence Staff has sole discretion in determining the response necessary, but must act to restore the situation to a level that is within the capability of the civil power to discharge its responsibilities, while acting as the force of last resort. When the Canadian Forces engage in Aid of the Civil Power operations, it is in a supporting role to the police force of jurisdiction, which retains full responsibility for enforcing the law. Although the Canadian Forces are focused on their defence mandate, the inherent flexibility of military units, many with unique capabilities,



makes the Canadian Forces a potential source of assistance, which may be called upon to support civil authorities. When called upon to do so, the Canadian Forces are prepared to respond. The Canadian Forces will act to restore the situation to the control of the civil authorities as quickly as possible.

The Canadian Forces have been called out in aid of the civil power three times during the past 30 years; the Montréal Police Strike in 1969; the FLQ Crisis in October 1970; and the Oka Crisis in August 1990. Even though 1997-98 saw no requests for Aid to the Civil Power, the Canadian Forces maintained sufficient air, land and sea forces to respond immediately.

DEFENCE MISSION II: DEFENDING NORTH AMERICA

This Defence Mission addresses issues relating to the defence of Canada and North America in partnership with the US. The goals in this defence mission are to:

1. Maintain the ability to operate effectively at sea, on land and in the air with the military forces of the US

Result to be achieved:

**Effective interoperability with US
Military Forces**

The institutional basis of Canada-US defence cooperation provides highly valued stability in a volatile and turbulent world. Canada-US defence cooperation is defined by a wide range of bilateral arrangements, including formal government-to-government agreements, interdepartmental memoranda and service-to-service understandings. These arrangements cover, among other things, joint planning and operations, combined exercises, defence production, logistics, communications, research and development and intelligence sharing. In addition, there exist numerous bilateral fora involving regular consultations, discussions and meetings.

In examining these arrangements, the Government came to several conclusions. First, Canada-US defence cooperation continues to serve this country's fundamental interests extremely well. Second, the Government wants the Canadian Forces to maintain the ability to work closely with their US counterparts in a variety of situations. Third, even if the Government decided to reduce significantly the level of defence cooperation with the US, Canada would still be obliged to rely on the US for help in protecting its territory and approaches - and this assistance would then come on strictly American terms, unmitigated by the influence Canada enjoys as a result of its defence partnership with the United States and with our other NATO allies. The United States is Canada's most important ally and the two countries maintain a relationship that is as close, complex and extensive as any in the world. The Department of National Defence and Canadian Forces have maintained the ability to interoperate with US military forces as demonstrated by:

- surface and sub-surface components of Maritime Command, in conjunction with air components of Air Command, maintained a high level of operational readiness through extensive use of US naval ranges, target services and fleet support on both coasts.



- formation level Canadian Fleet Operations exercises as well as one Maritime Coordinated Training exercise were conducted on the East coast, while numerous Squadron exercises and a Maritime Coordinated Training exercise were conducted on the West coast. These exercises included participation by naval ships and aircraft from the United States.
- the Land Forces conducted America, Britain, Canada and Australia Command Post Exercises and Computer Assisted Exercises, to improve Canada's interoperability with the US as well as other nations that could be alliance partners in any future coalition operations.
- elements of Air Command participated in various joint exercises with counterparts in the US to practice, refine and improve their combat skills and capabilities as well as to improve interoperability with US Forces.
- the materiel group participated in a variety of initiatives – mostly cooperative projects and studies – through the auspices of the North American Technology and Industrial Base Organization (NATIBO). One example of the benefits derived through this cooperative approach is the three-year joint Department of National Defence and (US) Department of Defense project launched in January 1998 to design and test Metal Matrix composite track shoes and missile components. The Department of National Defence will be contributing \$135,000 to this \$31 million initiative, a result of which it is expected that Canadian Industry will receive \$4.2 million in direct contracts.

2. Contribute to the provision of aerospace surveillance and control and the collection, processing and dissemination of missile warning information through the North American Aerospace Defence Command (NORAD)

Result to be achieved:

Contribute to the provision of aerospace surveillance and control and the collection, processing and dissemination of missile warning information through NORAD

In today's changing geostrategic circumstances, Canada will maintain aerospace surveillance, missile warning, and air defence capabilities. NORAD is the means through which the Canadian Forces contribute to these capabilities. NORAD is the eyes and ears of our early warning and surveillance activities. In cooperation with US forces, NORAD HQ and its Region Operations Control Centres, constant and vigilant surveillance is maintained. NORAD provides aerospace warning and aerospace control for North America. Aerospace warning includes the monitoring of man-made objects in space and the detection, validation and warning of attack against North America (whether by aircraft, missiles or space vehicles) utilizing mutual support arrangements. Aerospace control includes providing surveillance and control of the airspace of Canada and the United States. Whenever an aircraft flies across the Air Defence Identification Zone and is not identified within two minutes, it becomes an item of interest to NORAD. If required, aircraft are launched to intercept and identify the unknown aircraft as a means of maintaining control over the airspace of both Canada and the United States. Yearly, a number of intercepts are performed and, of these, about 10 to 15 percent are narcotics smugglers. In cooperation with the US drug law enforcement agencies and the RCMP, Canadian NORAD Region monitors all air traffic approaching the coast of Canada.



Any aircraft that has not filed a flight plan may be directed by Canadian NORAD assets to land and be inspected by the RCMP and Customs Canada. Over the past year ;

- 2.5 million aircraft were detected , the vast majority of these were automatically identified by flight plan correlation. Aircraft that cannot be immediately identified are designated “Unknown” and require human intervention of some type.
- the total number of unknowns was 623, of which 85 were suspected drug smugglers
- interceptor scrambles totalled 165, and of these 61 resulted in actual intercepts.
- the materiel group air equipment program staff renegotiated the final two years of the North Warning System. This resulted in a reduction of \$31 million in the value of the original contract concluded in 1993. This adjustment in the scope of this contract was made possible by further automation of the North Warning System since 1993, by the fact that much of the equipment can now be remotely monitored from the NORAD facility at 22 Wing, North Bay, Ontario, and through lower inflation rates.

3. Maintain Canada’s participation in the Canada-US Test and Evaluation Program, the Defence Production and Development Sharing Arrangements and other bilateral arrangements

Result to be achieved:

Sharing of knowledge and improved cooperation with the US in the testing and evaluation of defence systems

In 1983, the Canada-US Test and Evaluation Program was established as an umbrella agreement allowing reciprocal access to each other’s military test facilities. Over the past decade, examples of the defence systems tested and evaluated include sonobuoy technology; anti-armour munitions; and up-grade packages for the FA-18. The program was renegotiated in 1993 and renewed for a 10 year period. Under the terms of this agreement, Canada has reciprocal access to US testing facilities. In addition, each country has agreed to charge only incremental costs - those related to the conduct of a specific test at the facility, rather than the expenses related to the entire facility - thereby reducing significantly the cost of Canadian testing, evaluation and certification carried out in the US. During this reporting period, this program enabled the Department to save \$288,000 on tests conducted at US facilities.



4. Examine ballistic missile defence options with the US, focusing on research and building on existing communications and surveillance capabilities

Result to be achieved:

A better understanding of missile defence through research and consultation with the United States

Ongoing studies involve Canadian Forces officers and Defence Scientists along with their US counterparts. Specific areas include investigation of operational concepts and associated technologies to enable the Department to advise the Government on its options in the context of North American and possible NATO-wide aerospace defence arrangements.

DEFENCE MISSION III: CONTRIBUTING TO INTERNATIONAL SECURITY

This Defence Mission addresses issues related to contributing to International peace and security. Canadians are internationalist and not isolationist by nature. We uphold a proud heritage of service abroad. Multilateral security cooperation is not merely a Canadian tradition; it is the expression of Canadian values in the international sphere. Canada's experience underscores the need to develop and maintain effective multilateral institutions that can address security and stability - and that can respond effectively to aggression should other measures fail. The goals in this mission are:

1. Participation in Multilateral Operations

Result to be achieved:

The capability to participate in multilateral operations anywhere in the world under United Nations auspices, or in the defence of a NATO member state



The Canadian Forces participated in a number of multilateral operations around the world. These operations were conducted in concert with UN member nations and at the request of the United Nations. Operations included: Humanitarian assistance; Peacekeeping; and Peace enforcement. This capability was demonstrated through:

- as part of the of the General Framework Agreement for Peace - the Dayton Peace Accord - the Canadian Forces helped ensure that all forces in Bosnia-Herzegovina complied with the military aspects of the accord. Initially, the Canadian Forces deployed a Brigade headquarters and sub-units comprising approximately 1000 personnel overseas in support of the UN sanctioned NATO-led Implementation Force in Bosnia-Herzegovina. In December 1996, the Canadian government decided to contribute 1,200 personnel to the NATO-led peacekeeping force in the former Yugoslavia, which was followed by the smooth transition to the Stabilization Force in January 1997. Operation PALLADIAN is Canada's largest peacekeeping commitment; it consists of an infantry battalion group deployed throughout an area in north-western Bosnia-Herzegovina equivalent to the size of Prince Edward Island. It operates within the context of a multi-national force in partnership



with battalions from other like-minded nations. Our troops have successfully contributed to stabilizing and reducing conflict in the troubled region.

- Canadian countermine expertise is recognized internationally and our experts have responded to an increased number of requests for assistance and advice on humanitarian de-mining. These included assistance to United Nations Mine Action Centres in Cambodia and Bosnia, participation in the NATO Research Study Group and technical advice to the Department of Foreign Affairs and International Trade. In addition the department destroyed and disposed of 94,000 anti-personnel mines in accordance with the Ottawa convention

- OPERATION DETERMINATION - in February 1998, HMCS TORONTO along with other allied warships, deployed to the Persian Gulf on support of Op DETERMINATION to enforce UN weapons inspections in Iraq. Essential operational requirements were identified early in the planning phase to provide HMCS TORONTO's CH124 Sea King helicopter with improved cargo and passenger carrying capacity, and with systems to counter infrared missile threats. Meeting these urgent requirements involved the combined and coordinated efforts of the Air Force, Materiel Group, Public Works and Government Services Canada as well as Canadian industry.



- Operating as an integral part of the US Navy's Pacific Middle East Force, HMCS REGINA conducted a six-month deployment, participating in Maritime Interception Operations in the Persian Gulf in support of UN sanctions against Iraq.
- in the Persian Gulf, KC-130 aerial refuellers provided air-to-air refuelling capability to carrier and land based multi-national fighter aircraft, primarily from the US Navy, Royal Navy and Royal Air Force. One million pounds of fuel was transferred during period of 5 March- 6 April 98.
- OPERATION MIRADOR – Six CF 18 fighters and associated support personnel were deployed to Aviano, Italy in support of the Stabilization Force (SFOR) operations in the former Yugoslavia. The Canadian Forces comprised part of a 15 country, 90 aircraft air component which included participants from Belgium, France, Germany, Italy, the Netherlands, Turkey, the United Kingdom, and the US. In all some 200 operational sorties were flown over Bosnia-Herzegovina.
- under the auspices of United Nations Security Council Resolutions 1048, 1063 and 1086, Canada committed up to 750 personnel to participate in the UN Multinational Force in Haiti, the mandate of which was to assist the Government of Haiti to maintain a secure and stable environment as well as to support, in concert with the RCMP, the professionalization and training of the Haitian National Police. In Haiti, Canadian Forces personnel continuously provided first class leadership, sympathetic assistance to the Haitian population and excellent support to the UN mission in Haiti.
- HMCS WINNIPEG, with integral helicopter support was employed on a continuous basis with the NATO Standing Naval Force Atlantic (STANAVFORLANT) commencing 24 Feb 1997. This deployment included significant transit time to and from the area of operations and included the first visit of a Canadian ship to Casablanca, Morocco.



- in the Atlantic, MARCOT 1/97 built on the previous year's success and created a sound basis for expansion into the NATO Exercise UNIFIED SPIRIT. Of particular interest, the participation of STANAVFORLANT and elements of the air wing from the Strike Carrier USS JOHN C STENNIS brought a new dimension to the exercise. Maritime Forces Pacific (MARFAC) hosted five nations in MARCOT 2/97 in which ships, aircraft and submarines – including HMCS OJIBWA – were exercised in littoral warfare, a UN sponsored naval embargo and disaster relief exercise.
- the Canadian Forces moved one step closer to the realization of the NATO Flying Training in Canada Program on 4 Nov 1997. A 20-year contract was awarded to Defence Systems Division of Bombardier Inc., to provide services in support of NFTP. Canadian and NATO air force pilots will conduct flying training with new Harvard II (turboprop) and Hawk (jet) trainers in Moose Jaw and Cold Lake commencing in the year 2000.

2. To maintain the capability to assist the Department of Foreign Affairs and International Trade in the protection and evacuation of Canadians from areas threatened by imminent conflict

Result to be achieved:

Requests by the Department of Foreign Affairs and International Trade for the protection and evacuation of Canadians are responded to in such a manner that safeguards life



A multi-purpose combat capable force is able to respond to a wide range of conflict scenarios and the Canadian Forces maintained the ability to assist in the evacuation of Canadians from areas threatened by imminent conflict. Fortunately, the necessity to exercise this option did not arise within the past fiscal year, however the capability to respond was maintained.

3. Expand bilateral and multilateral contacts and exchanges with selected partners in Central and Eastern Europe, the Asia-Pacific region, Latin America, and Africa

Result to be achieved:

Cooperation with specific military forces and agencies resulting in increased confidence building levels as well as a better understanding and performance of military forces within a democracy and in peacekeeping

The Canadian Forces engaged in a wide range of initiatives aimed at expanding contacts and exchanges with selected countries in these regions, with a particular emphasis on peacekeeping, confidence-building measures and civil-military relations. Many of these initiatives were carried out under the auspices of the Military Training Assistance Program (MTAP), which is one of the key elements in Canadian bilateral development assistance programs with non-NATO countries. In all, the Military Training Assistance Program provided assistance to 50 countries. The Lester B. Pearson Canadian International Peacekeeping Centre also provided assistance in the expanding field of peacekeeping education. The Department of



National Defence provided the Pearson Centre with direct financial support and training personnel, and also sponsored international students through the Military Training Assistance Program. Other initiatives included ministerial and other high-level visits, staff talks, ship deployments, military exercises, seminars and conferences.

This capability was demonstrated through the following actions:

- ☐ Maritime Forces participated in WESTPLOY 97, a 98 day deployment to ports in Brunei, Indonesia, Singapore, Malaysia, Thailand and the Philippines, furthering Canadian interests and conducting bilateral training in South East Asia and the Pacific Rim.
- ☐ the provision of financial assistance and peacekeeping experts to a variety of UN and regionally sponsored seminars and exercises to assist developing nations in the OAS and OAU to enhance their regional peacekeeping capacity.
- ☐ the continued peacekeeping training opportunities to those countries under the MTAP umbrella and to designated Partnership for Peace countries. In addition, a close collaboration is maintained between Canadian Peacekeeping Training Centres and various International Peacekeeping Training Centres on training issues.
- ☐ as part of a pilot project, the secondment of Canadian Forces Officers to Canadian based Non-Government Organizations as means of fostering closer working relationships in International humanitarian aid operations. A Canadian Forces Officer has recently completed a six-month tour working with CARE Canada.
- ☐ the Military Training Assistance Program provided bilateral military assistance to 11 countries of Central and Eastern Europe and expanded the number of countries participating with the addition of Brazil, the Philippines, South Africa, Bulgaria and Slovenia. Canada trained a number of foreign officers through various language courses and also offered a wide selection of professional development courses.
- ☐ Canada agreed to take part in a United Nations Military Observer Group whose mandate is to verify compliance with the cease-fire agreement that was reached on 4 December 1996 between the Government of Guatemala and the Unidad Revolucionaria Nacional Guatemalteca after thirty-six years of civil war in that country. The Canadian mission assisted the former warring factions of Guatemala make a peaceful transition to an open society. Fifteen Canadian military observers were deployed in February 1997 and returned in late May 1997.
- ☐ the Department of National Defence organized the Democratic Civil-Military Relations Program, intended to help consolidate democracy and good governance in selected Central and Eastern European countries. We also supported several activities of the Association of South East Asian Nations Regional Forum, including the Senior Officials Meeting and specialized meetings on Disaster Relief, Search and Rescue, Confidence Building and Peacekeeping.



4. Arms Control and Verification

Result to be achieved:

Contributing to a stable international environment through effective Arms Control and Verification activities in accordance with international treaty obligations

Arms Control Verification has been an important tasking since the various treaties came into effect in the early 1990s. Under the umbrella of the Organization on Security and Cooperation in Europe in Vienna, the Conference on Disarmament, the North Atlantic Treaty Organization and the United Nations, the Department of National Defence has conducted successful field operations for the Canadian Government in accordance with four different Treaties:

- ☐ the **Treaty on Conventional Forces in Europe**: Since this treaty came into force in 1992, Canada has lead in 56 operations and participated in 157. In FY97/98 Canada led three treaty declared site inspections:

- Ukraine, 11-18 April 97 with guest inspectors from the United States, United Kingdom, France, and the Czech Republic;
- Czech Republic, 9-16 May 97 with guest inspectors from the United States, United Kingdom, the Netherlands, Italy, and an observer from the Republic of Korea;
- Russia, 13-20 June 97 with guest inspectors from Germany, the United States, United Kingdom, Spain and Slovakia;
- Canada participated as guest inspectors in 13 other NATO-led treaty declared site inspections. The site inspections were conducted in; Russia six times, Belarus twice, Ukraine three times and Poland and Romania once each.

- ☐ the **Vienna Document 92**: The fifty-five countries of the Organization for Security and Cooperation in Europe have agreed to build trust in their region, to increase transparency and to improve relations by exchanging military information and conducting inspections of military facilities. Since 1992 Canada has conducted 11 inspections and 10 evaluations. During 1997/98 Canada responded to invitations to inspect sites in Romania, Ukraine, and Croatia and to evaluate a specific military formation in Russia. In addition Canada responded to seven invitations to visit airbases/military formations, demonstrations of new equipment and observation of exercises.

- ☐ the **Open Skies Treaty**: this confidence building treaty allows signatory nations the freedom to conduct surveillance overflights of each others territory in accordance with agreed terms. However, the treaty has not yet been ratified by all nations. In anticipation of the treaty entering into force in the near future, preparations continue with exchanges of data, tests and evaluation of surveillance equipment being progressed and practice overflights being conducted. In 1997/98 the salient Open Skies activities included:

- two Canadians observed the German Trial Certification flight, 15-23 June 1997;



- a Russian Federation trial flight over Canada, 4-8 August 1997; and
- two Canadians participated in a trial flight conducted by Norway over the Russian Federation, 20 September - 6 October 1997.

□ the **Chemical Weapons' Convention**: The Chemical Weapons Convention is a global treaty that bans an entire class of weapons of mass destruction, chemical weapons. The CWC bans the production, acquisition, stockpiling, transfer and use of chemical weapons. It entered into force on April 29, 1997.

Under the CWC, each State Party undertakes never, under any circumstances, to:

- develop, produce, otherwise acquire, stockpile or retain chemical weapons, or transfer, directly or indirectly, chemical weapons to anyone;
- use chemical weapons;
- engage in any military preparation to use chemical weapons; and
- assist, encourage or induce, in any way, anyone to engage in any activity prohibited to a State Party under this convention.

In addition, each State Party undertakes, all in accordance with the provisions of the convention, to:

- destroy the chemical weapons it owns or possesses or that are located in any place under its jurisdiction or control;
- destroy all chemical weapons it abandoned on the territory of another State Party; and
- destroy any chemical weapons production facilities it owns or possesses or that are located under its control.

The CWC specifically allows parties to maintain chemical weapons defensive programs. As of January 1998, the CWC had 169 signatories and 106 ratifiers. Canada has both signed and ratified the CWC. An initial inspection of the Single Small Scale Facility at the Defence Research Establishment Suffield Alberta was conducted by inspectors from the Organization for the Prohibition of Chemical Weapons in late September 1997.

The **Dayton Peace Accord** in Bosnia/Herzegovina has an arms control inspection regime as part of the agreement. Canada provided one military officer attached to the Organization on Security and Cooperation in Europe Mission to Bosnia-Herzegovina from March to September 1996 and thirteen officers as inspectors/assistants for seventeen inspections in the Balkans region in 1997/98.

UNSCOM (United Nations Special Commission): As part of the agreement and as a condition of the cease-fire agreement between Iraq and the coalition the United Nations Special Commission was formed to supervise, in part, the destruction of Iraq's nuclear, biological and



chemical weapons. Since 1992, the Department of National Defence has provided well in excess of 100 personnel in support of UNSCOM inspection teams in Iraq as well as providing administrative support at the UNSCOM headquarters. In 1997/98 a total of 11 personnel were provided.

The Department also works closely with the Department of Foreign Affairs and International Trade and other Government departments in ensuring the success of the Nuclear Non-Proliferation Treaty, the Biological and Toxin Weapons Convention, the Comprehensive Test Ban Treaty as well as other arms control instruments, including among others, the Wassenaar Arrangement dealing with international strategic export controls, the Missile Technology Control Regime and discussions concerning a Fissile Material Cut-off Treaty.

Finally, the Department of National Defence and the Canadian Forces worked closely with the Department of Foreign Affairs and International Trade in providing technical, scientific and logistic expertise and policy advice throughout the Ottawa Process which concluded successfully in December 1997 with the signature of the *Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and their Destruction*.

SUPPORT OBJECTIVES

In addition to the three main Defence Objectives previously addressed, there are two additional objectives: the first, Support to Operations, reflects the importance of support activities to enable the other Defence Objectives. The second, Support to Broad Government Programs, deals with the requirement of the Department of National Defence and Canadian Forces to comply with government legislation, regulations and departmental direction as well as its role in being a unifying force in Canada.

1. Support to Operations

Result to be achieved:

Canadian Forces operations are sustained through the provision of cost effective support

Support to Operations describes support in the broadest sense. It pertains to all aspects of guidance & policy, advice & information, plans, personnel, products & services, such as realty and engineering support and systems that are provided by the Environmental Chiefs of Staff and Group Principals to facilitate the accomplishment of the Defence Objectives by operational forces.

Examples of our effective support include:

- ☐ efficient materiel and transport management support to all Canadian Forces operations at home and abroad (including 19 Canadian Forces and United Nations operations worldwide).
- ☐ the review of our support activities to determine the most cost-effective way of delivering the required service and where applicable introducing alternative service delivery options.



- ☐ the Defence Research and Development Branch recently won honours at the first annual Federal Partners in Technology Transfer meeting for the development of the *Hemolink* bio-engineered blood substitute, and the subsequent transfer of the technology to Hemosol, Inc. of Toronto. *Hemolink* is a blood-type independent, freeze-dried blood substitute that can be reconstituted wherever Canadian Forces personnel may be deployed to help save the lives of injured Canadian Forces personnel. Hemolink has already passed extensive safety tests, and trials continue to assess *Hemolink's* ability to replace blood. The Defence Research and Development Branch remains involved with the product development through the Defence Industrial Research Program and the Crown still owns the patents.

- ☐ the Defence Research and Development Branch developed a virtual reality simulator to assist departmental naval architects and the Canadian Marconi Co in redesigning the Landing Safety Officer's workstation aboard HALIFAX-Class frigates. This prototype simulator was used to assess intervisibility, which is especially problematic when helicopters approach the frigate's landing deck from starboard.



- ☐ various modifications/enhancements to Canadian naval vessels to provide for (*inter alia*) environmentally safe handling of solid waste; mixed crews; and the installation of the AN/SQS 510 sonars which are currently being sold to other nations by Computing Devices Canada.
- ☐ the Canadian Forces Supply Depots in Edmonton and Montréal implemented re-engineering processes which allowed the Depots to realize significant savings resulted in considerable savings. For example, 7 CFSD in Edmonton, total reductions to date have resulted in an operation less than half the size it was in 1994. 25 CFSD in Montréal has been able to save \$2 million in civilian salary and wage costs down 27% from the 1994 baseline figures.
- ☐ initiatives were introduced to address a number of personnel related issues. For example: the introduction of the Reserve Force Retirement Gratuity, a form of severance pay which recognizes reservists long and continuous service to the Canadian Forces; making improvements to the family-oriented services such as family support centres located at most military bases;
- ☐ the Department of National Defence is in the midst of a multi-faceted initiative to enhance and modernize internal comptrollership policies and practices. A Comptrollership Council has been formed, and formal reviews of all major Commands and Groups have been completed to assess the overall state of comptrollership. General training specifications for officers incorporate new objectives in comptrollership and resource management, and additional, annual training forums for comptrollers and their staffs cover latest developments. DND has also established a revised accountability framework including an annual letter of attestation from major resource managers on the discharge of their comptrollership responsibilities.
- ☐ the rollout of the Common Office Automation Suite to all Department of National Defence and Canadian Forces units was largely completed. This initiative, affecting some 50,000 workstations, is the largest rollout by any Government of Canada agency of a product of this nature.



- ☐ the awarding of the Public Service Award of Excellence to Master Warrant Officer Michael Beaulieu for the development of the Automated Data Ration Accounting (ADRA) system. This system for calculating food requirements for military operations has resulted in savings of \$700,000 in transportation costs for the current Bosnia-Herzegovina mission. Estimates now indicate that this system will save the Department \$1.1 million a year in food costs for the duration of the mission. The Public Service Award of Excellence is the highest award given to federal employees and represents recognition of exemplary achievements and contributions to improving the Federal Government.

2. Support to Broad Government Programs

Result to be achieved:

Maintenance and enhancement of Canadian values and quality of life through support to government programs, policies and initiatives.

This area addresses the requirement for good governance, probity and ensuring that the Department of National Defence and Canadian Forces fulfills its role as a national institution. The Department of National Defence and the Canadian Forces play a vital role in support to broad government programs:

- ☐ *Access to Information Act and Privacy Act* -The Department and the Canadian Forces continue to improve its compliance with Access to Information requirements. Over the course of this reporting period the Department has instituted a number of important initiatives to improve access to National Defence and Canadian Forces information. For example, the Department has:
 - proactively made frequently requested information, such as audit reports, available to the public through the Internet
 - increased by 24 % the number of staff handling information requests
 - announced policy guidance on issues relevant to ATIP administration, such as the policies on fee waivers and public availability of records under the *Access to Information Act*.
 - since 1995 the number of informal requests more than doubled from 57 to 130, and for the first time, the number of formal requests dropped. The department received 855 formal requests in this reporting period, compared to 942 the year before and 869 the year before that.

- ☐ Monitoring Committee on Change

The Minister of National Defence established a monitoring committee of eight prominent Canadians. For a period of two year, this external group will report semi-annually to the Minister on the process of implementing change in such areas the military justice system, values and ethics. The committee members will report their findings, observations, and recommendations directly to the Minister of National Defence, and will prepare four semi-annual written reports with recommendations, which the Minister will release to the public.



- The Department is currently implementing 315 recommendations (207 complete and 108 ongoing) from the Key Reports on Change. For example, we are in the stages of implementation of 91.4% of the military justice recommendations that were accepted by the department and government in the *Report Of The Minister Of National Defence To The Prime Minister On Leadership And management In The Canadian Forces*, the two *Special Advisory Group Reports* (Dickson 1 & 2) and the *Somalia Commission Of Inquiry Report*. This will result in enhanced Canadian Forces command and control through an increase in transparency, accountability and consistency of the military justice system. Bill C-25, containing the most extensive amendments in the history of the *National Defence Act*, was introduced in the House of Commons on 4 December 1997 and by 31 March 1998 had completed second reading in the House
 - for more information on the implementation of change resulting from the *Report Of The Minister Of National Defence To The Prime Minister On Leadership And management In The Canadian Forces*, the two *Special Advisory Group Reports* (Dickson 1 & 2) and the *Somalia Commission Of Inquiry* refer to the Department of National Defence web site at www.dnd.ca
- ☐ Year 2000 – The Year 2000 problem is a serious operational-readiness issue because it affects mission-critical systems and their ability to support the Canadian Forces missions beyond the Year 2000 boundary. A Year 2000 project-management office has been established to develop a series of policies, guidelines and checklists dealing with Year 2000 issues. The Chief Information Officer is leading this initiative, which has the potential to affect virtually all Canadian Forces capabilities. Commanders have been directed to ensure that necessary action is taken to preserve the operational capabilities of the Canadian Forces as we approach the next millennium. A Year 2000 Operational Readiness Program, under the leadership of the Deputy Chief of the Defence Staff, has also been implemented to provide the central leadership, planning, and coordination across the commands that is required to ensure that the Canadian Forces can fulfil its joint defence missions.
- ☐ Communications with the Public - In its efforts to support the government communications program, the Department of National Defence and the Canadian Forces made several commitments in its March 1997 Report to the Prime Minister to improve communications with the public. Meaningful progress was made in delivering on these commitments. Most significantly, on March 1, 1998, a new, comprehensive public affairs policy was implemented that: supports openness and transparency; improves public affairs planning, management, and program delivery; enhances internal communications; and, clarifies procedures to assure transparent and effective public communications on issues.

The new policy applies to both civilian employees and Canadian Forces members. Key provisions include: clear direction to all personnel to conform to both the spirit and the letter of the *Access to Information Act*; and, a new approach to media relations that empowers all personnel to agree to media interviews without management approval provided it is to speak about what they do.



In addition, the Department also:

- revamped its Internet site to provide Canadians more user-friendly access to departmental information (the site, www.dnd.ca, known as D-Net, is averaging more than 4 million hits per month);
- enhanced the Canadian Forces recruit advertising program to more accurately reflect the opportunities provided to young Canadians by a career in the Canadian Forces;
- developed new information materials, including a guide to Canada's Defence Team and a comprehensive information kit on the role, mandate and activities of the Department of National Defence and the Canadian Forces; and
- implemented a new, national newspaper to improve internal communications with Department of National Defence employees and Canadian Forces members.

☐ Employment Equity

- On 24 October 1996, the revised Employment Equity (EE) Act came into force as law. The new Act clarifies and strengthens the previous EE legislation which applied only to federally regulated industries and Crown Corporations. The federal Public Service, the Canadian Forces and the Royal Canadian Mounted Police are now subject to the Act.
- Employment Equity is a long-term human resource planning strategy. Its aim is to achieve equality in the workplace so that no one is denied employment opportunities or benefits for reasons unrelated to abilities. In fulfilment of that goal, EE also seeks to correct the conditions of disadvantage in employment experienced by women, Aboriginal peoples, persons with disabilities and members of visible minorities.
- Even though the Public Service has only recently become subject to the law, employment equity has been a consideration in the development of Public Service policies and practices for more than 20 years. The Department of National Defence already has a well-established EE Program for its civilian employees.

During the 1997/1998 fiscal year, the Department of National Defence continued to operate in an environment of reductions, restructuring and renewal and as such recruitment targets have proven unattainable. With no legislation to protect them, EE Designated Group Members were vulnerable to downsizing. The dramatic changes affecting the Department are also restricting opportunities for recruitment and promotion. This situation hampered the Department's ability to increase the number of Designated Group Members or to help those already employed to advance.

☐ Official Languages

- the Official Languages Program performance was formally reported in the Annual Management Report on Official Languages communicated to Treasury Board in June 1998



- the Treasury Board acknowledged the significant achievements with regard to the management of the official languages program within the Department and the Canadian Forces.
- the Department and the Canadian Forces are undertaking a rigorous and ongoing review so as to establish the availability and quality of services in both official languages. This initiative is in keeping with the intent of improving delivery of service to the public in both official languages in all designated service points
- Between September 1995 to September 1999, the Canadian Forces policy is to increase the percentage of bilingual officers from 40% to 50%. This target had been exceeded.

☐ Environment



The potential for the Department of National Defence and the Canadian Forces to affect the environment is considerable. Military operations and exercises use fuel to power some 30,000 vehicles (including aircraft and ships); consume energy to operate bases and equipment in approximately 10,000 facilities spread over more than 2,000,000 hectares of land in more than 1700 different locations. The Government of Canada has pledged to "green" its operations, to be accountable for its management of the public environmental trust, and to be a leader in environmental protection and sustainable development, and has demonstrated its commitment by complying with environmental laws such as the *Canadian Environmental Protection Act (CEPA)*, the *Canadian Environmental Assessment Act (CEAA)* and the pollution prevention portions of the *Fisheries Act*. It is widely recognized by both military and civilian personnel that constant environmental vigilance is required, and that every precaution must be taken to avoid environmental incidents.

The Department of National Defence and Canadian Forces adhere fully to the principles of sustainable development and to the spirit of environmental protection laws. We aim, in the course of our daily operations, to conserve both non-renewable and renewable resources, while using them efficiently and effectively.

Departmental policy includes a commitment to environmentally sustainable defence activities, the obligation to protect, and employ wisely, the land and resources used to carry out day-to-day operations from unmitigable damage. Pro-active measures have been taken to develop sustainable operational practices, capable of meeting current needs without sacrificing future potential use. Environmental protection and stewardship within the Department of National Defence and Canadian Forces cover a wide range of activities and are having a positive effect. For example:

- the Department of National Defence and Canadian Forces Sustainable Development Strategy was tabled in Parliament on 10 December 1997. It was reviewed by the Office of the Auditor General as part of the Report of the Commissioner of the Environment and Sustainable Development to the House of Commons. The review found that the National Defence Sustainable development Strategy stood first in



Government with respect to conformance with the required timing and content. The report stated that “one department, (National Defence) received check marks in all 21 areas that we examined. It did what it was asked to do”.

- the Sustainable Development Strategy targets halon use limiting it “to essential military requirements (ships, planes, and armoured fighting vehicles).” Halon is an ozone-depleting substance and by the end of fiscal year 1997/1998 the Department had met its target date to remove from service, all non-essential, portable, halon fire extinguishers. The program to remove non-essential halon systems from buildings is proceeding and all work should be completed ahead of the target date of December 1999. The major activity during fiscal year 1997/1998 was the removal of all halon material from North Warning System sites. The halon material recovered from non-essential applications is being stored at CFB Borden and this facility is planning to obtain Underwriter Laboratory Certification for this “first of its kind” storage facility in Canada. The Department, in conjunction with the National Research Council, continues to conduct research and development into halon replacements for essential systems in its operational fleet.
- the Department of National Defence and Canadian Forces are responsible for more than 2,000,000 hectares of owned or leased land (the largest amount of administered land in Canada), approximately half of which is used for the active military training of its troops. To ensure that military training is carried out in a sustainable manner, the Canadian Forces have adopted the Manoeuvre Area Planning System that integrates training needs, environmental protection, rehabilitation and natural resources management. In 1997-1998, a Manoeuvre Area Planning System study was completed for Canadian Forces Base Suffield and Canadian Forces Detachment Wainwright training areas. Work is ongoing at Canadian Forces Detachment Dundurn and at the Chilcotin Military Block.
- the Sustainable Development Strategy has a target undertaking that fuel storage tanks are brought into compliance with federal guidelines and schedules, including the registration of storage tank systems for petroleum products and allied petroleum products on federal lands regulations. In accordance with the requirements of the Canadian Environmental Protection Act (CEPA), the Department submitted its first annual report to Environment Canada Compliance Assurance Division on 28 April 1998.

☐ **Department of National Defence Annual Storage Tank Registration Report for the year ending 31 December 1997**

The following information is provided in accordance with Schedule II to the Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands Regulations:

1. The number of aboveground storage tank systems registered with the Department of National Defence is 1077.
2. The number of underground storage tank systems registered with the Department of National Defence 321.



3. The number of aboveground storage tank systems that comply with the Federal Aboveground Storage Tank Technical Guidelines is 331.
4. The number of underground storage tank systems that comply with the Federal Underground Storage Tank Technical Guidelines is 292.
5. The number of aboveground storage tank systems that should be upgraded in the future in accordance with Schedule I to the Federal Aboveground Storage Tank Technical Guidelines is as follows:

by 31 December 1999 - 110 ^(See Note 1); and

by 31 December 2000 - 56.
6. The number of underground storage tank systems that should be upgraded in the future in accordance with Schedule II to the Federal Underground Storage Tank Technical Guidelines is as follows:

by 31 December 1998 - 76;

by 31 December 1999 - 18; and

by 31 December 2000 - 149.
7. The number of aboveground storage tank systems that do not comply with the Federal Aboveground Storage Tank Technical Guidelines is 746 ^(See note 2).
8. The number of underground storage tank systems that do not comply with the Federal Underground Storage Tank Technical Guidelines is 29 ^(See note 2).

Notes:

1. Those tanks that have not yet been upgraded but that both required overfill protection upgrades by 31 December 1997 and will require installation or piping upgrades by 31 December 1999 are listed in paragraph 7 above as being non-compliant. They are not included in this total even though additional upgrading will be required by 1999.
2. In many cases the information required to properly assess the compliance status of tank systems is not available. Such tanks have been listed as being non-compliant for the purposes of this report. The vast majority of the non-compliant tanks fall into this category. Efforts to obtain the required information to assess these tanks are ongoing.



Section IV Financial Performance

This section contains the following Financial Summary Tables:

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For information on the Status of Major Crown Projects please refer to the Department of National Defence 1998-99 Report on Plans and Priorities, pages 57 to 112.



Financial Table 1

Summary of Voted Appropriations

Summary of Voted Appropriations				
Financial Requirements by Authority (millions of dollars)				
Vote		1997-98 Main Estimates	1997-98 Total Authorities ¹	1997-98 Actual
	Defence Services Program			
1	Operating Expenditures	6,908.7	7,152.3	7,102.8
5	Capital Expenditures	2,118.0	2,109.2	2,005.1
10	Grants and Contributions	166.3	366.7	297.1
(S)	Minister of National Defence - Salary and motor car allowance			
(S)	Pensions and annuities paid to civilians	0.2	0.2	0.1
(S)	Military pensions	563.4	581.7	581.7
(S)	Contributions to employee benefit plans	159.9	159.9	159.9
(S)	Spending of proceeds from the disposal of Crown assets		46.1	40.1
(S)	Federal Court Awards		0.4	0.4
(S)	Collection Agency Fees		0.0	0.0
	Total Department	9,916.5	10,416.5	10,187.3
1. Main Estimates plus Supplementary Estimates.				


Financial Table 2 - Comparison of total Planned Spending to Actual Spending

Comparison of Total Planned Spending to Actual Expenditures, 1997-98 by Service Line (millions of dollars)									
Service Line		Operating ¹	Capital ¹	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	1,554.5	503.8	---	2,058.2	---	2,058.2	24.1	2,034.1
	-Total Authorities	1,619.6	422.7	---	2,042.3	---	2,042.3	24.1	2,018.2
	-Actuals	1,602.0	400.4	---	2,002.5	---	2,002.5	23.7	1,978.8
Land Forces	-Main Estimates	2,221.2	639.4	---	2,860.6	---	2,860.6	157.9	2,702.6
	-Total Authorities	2,313.5	795.9	---	3,109.4	---	3,109.4	157.9	2,951.5
	-Actuals	2,283.9	754.3	---	3,038.2	---	3,038.2	148.3	2,889.9
Air Forces	-Main Estimates	1,996.7	545.0	---	2,541.8	---	2,541.8	156.6	2,385.2
	-Total Authorities	2,084.2	477.3	---	2,561.5	---	2,561.5	156.6	2,404.9
	-Actuals	2,126.8	452.1	---	2,578.9	---	2,578.9	145.1	2,433.9
Joint Operations and Civil Emergency Preparedness	-Main Estimates	270.3	67.1	4.7	342.1	---	342.1	4.0	338.1
	-Total Authorities	276.8	68.3	191.5	536.6	---	536.6	4.0	532.6
	-Actuals	275.8	67.3	149.3 ²	492.4	---	492.4	3.8	488.6
Communications and Information Management	-Main Estimates	298.4	108.9	---	407.2	---	407.2	3.1	404.1
	-Total Authorities	305.5	56.6	---	362.1	---	362.1	3.1	359.0
	-Actuals	283.4	53.7	---	337.1	---	337.1	3.0	334.1
Support to the Personnel Function	-Main Estimates	760.9	73.8	0.3	835.0	19.2	854.2	20.4	833.8
	-Total Authorities	779.6	95.6	0.3	875.5	16.8	892.3	20.4	871.8
	-Actuals	772.4	92.5	0.2	865.1	16.8	881.9	19.8	862.1
Materiel Support	-Main Estimates	609.9	157.7	---	767.6	---	767.6	4.8	762.8
	-Total Authorities	633.8	163.0	---	796.8	---	796.8	4.8	792.0
	-Actuals	581.7	159.2	---	740.9	---	740.9	4.5	736.4
Department/Forces Executive	-Main Estimates	290.9	22.4	161.3	474.7	---	474.7	18.9	455.8
	-Total Authorities	300.6	29.8	174.9	505.3	---	505.3	18.9	486.5
	-Actuals	305.4	29.0	147.6	481.9	---	481.9	18.5	463.4
Totals	-Main Estimates	8,002.9	2,118.0	166.3	10,287.2	19.2	10,306.4	389.9	9,916.5
	-Total Authorities	8,313.6	2,109.2	366.7	10,789.6	16.8	10,806.4	389.9	10,416.5
	-Actuals	8,231.5	2,008.5	297.1	10,537.0	16.8	10,553.8	366.6	10,187.3
Other Revenues and Expenditures									
Revenue credited to the Consolidated Revenue Fund									(79.0)
									(79.0)
									(282.1)
Cost of services provided by other departments									845.2
									845.2
									845.2 ³
Net Cost of the Program									10,682.8
									11,182.7
									10,750.4
1. Operating includes spending against asset disposal revenue (\$36.7M), contributions to employee benefit plans (\$724.9M) and ministers' allowances (\$.05M). Capital includes spending against asset disposal revenue (\$3.4M).									
2. The Main Estimates do not include funds for Disaster Financial Assistance Arrangements Payments. These payments totalled \$144.7M in 1997-98.									
3. Forecast only.									


Financial Table 3 - Planned Versus Actual Spending by Service Line

Departmental Planned versus Actual Spending by Service Line (millions of dollars)						
Service Line	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Total Authorities 1997-98	Actual ¹ 1997-98
Maritime Forces	2,514.8	2,287.0	2,071.3	2,034.1	2,018.2	1,978.8
Land Forces	2,930.5	3,133.4	2,994.9	2,702.6	2,951.5	2,889.9
Air Forces	2,721.8	2,676.1	2,530.5	2,385.2	2,404.9	2,433.9
Joint Operations and Civil Emergency Preparedness	299.6	318.1	285.2	338.1	532.6	488.6
Communication and Information Management	443.4	439.9	367.0	404.1	359.0	334.1
Support to the Personnel Function	1,228.8	1,086.6	881.0	833.8	871.8	862.1
Materiel Support	1,190.8	929.9	864.1	762.8	792.0	736.4
Department/Forces Executive	444.0	502.8	579.0 ²	455.8	486.5	463.4
Total	11,773.7	11,373.8	10,573.0	9,916.5	10,416.5	10,187.3
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.						

Financial Table 4
Crosswalk Between Old Resource Allocation And New Allocation

The Department of National Defence has not changed its reporting structure therefore no crosswalk is required.



Financial Table 5 - Comparison of Total Planned Spending to Actual Expenditures by Organization and Service Line

Comparison of Total Planned Spending to Actual Expenditures, 1997-98 by Organization and Service Line (millions of dollars)					
Defence Services Program					
Service Line	Civilian Pay, Transfers and Operating Funds	Military Pay, Allowances and Military and Civilian BP*	Materiel Support	Revenue	Net Total
Maritime Forces	586.5	639.5	832.2	(24.1)	2,034.1
	644.3	623.0	735.2	(23.7)	1,978.8
Land Forces	817.4	1,091.1	952.0	(157.9)	2,702.6
	901.0	1,087.9	1,049.4	(148.3)	2,889.9
Air Forces	654.0	895.6	992.2	(156.6)	2,385.2
	790.1	877.7	911.1	(145.1)	2,433.9
Joint Operations and Civil Emergency Preparedness	122.6	131.6	87.9	(4.0)	338.1
	282.5	131.3	78.6	(3.8)	488.6
Communications and Information Management	105.3	158.5	143.4	(3.1)	404.1
	100.5	153.1	83.5	(3.0)	334.1
Support to the Personnel Function	219.2	534.8	100.3	(20.4)	833.8
	271.5	504.7	105.7	(19.8)	862.1
Materiel Support	296.3	189.4	282.0	(4.8)	762.8
	246.8	183.1	311.0	(4.5)	736.4
Department/Forces Executive	278.8	139.7	56.2	(18.9)	455.8
	279.4	137.8	64.7	(18.5)	463.4
Totals	3,080.1	3,780.2	3,446.1	(389.9)	9,916.5
	3,516.0	3,698.6	3,339.3	(366.6)	10,187.3
% of Total	34.5%	36.3%	32.8%	-3.6%	

Note: 1. Shaded numbers denote actual expenditures/revenues in 1997-98.

Financial Table 6 - Revenues to the Vote

Revenues to the Vote (millions of dollars)						
Service Line	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Total Authorities 1997-98	Actual 1997-98
Maritime Forces	23.0	20.6	23.6	24.1	24.1	23.7
Land Forces	148.4	152.6	165.0	157.9	157.9	148.3
Air Forces	156.0	147.7	163.0	156.6	156.6	145.1
Joint Operations and Civil Emergency Preparedness	4.2	3.0	3.5	4.0	4.0	3.8
Communications and Information Management	3.5	2.9	3.0	3.1	3.1	3.0
Support to the Personnel Function	27.2	18.3	19.0	20.4	20.4	19.8
Materiel Support	5.9	4.8	4.9	4.8	4.8	4.5
Department/Forces Executive	12.1	17.9	19.7	18.9	18.9	18.5
Total	380.3	367.8	401.7	389.9	389.9	366.6


Financial Table 7 - Revenues to the Consolidated Revenue Fund

Revenues to the Consolidated Revenue Fund (thousands of dollars)						
	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Total Authorities 1997-98	Actual 1997-98
Total	79,679.0	99,440.0	111,032.0	78,966.0	78,966.0	282,141.0

Financial Table 8 - Statutory Payments by Service Line

Statutory Payments by Service Line (millions of dollars)						
Service Line	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Total Authorities 1997-98	Actual 1997-98
Maritime Forces	120.9	118.5	123.7	126.8	132.5	132.5
Land Forces	210.5	214.1	215.3	191.0	226.6	226.6
Air Forces	184.5	167.9	158.6	153.5	163.8	163.8
Joint Operations and Civil Emergency Preparedness	33.1	25.5	30.0	32.2	32.8	32.8
Communications and Information Management	33.4	31.4	29.6	29.5	30.4	30.4
Support to the Personnel Function	129.2	129.7	112.8	113.7	114.7	114.7
Materiel Support	80.7	59.3	52.0	54.6	57.5	57.5
Department/Forces Executive	22.1	22.7	22.8	22.3	24.1	24.0
Total	814.5	769.1	744.7	723.5	782.4	782.3

**Financial Table 9 - Transfer Payments by Service Line**

Transfer Payments by Service Line (millions of dollars)						
Service Line	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Total Authorities 1997-98	Actual 1997-98
GRANTS						
Maritime Forces						
Land Forces						
Air Forces						
Joint Operations and Civil Emergency Preparedness				0.1	0.1	0.1
Communications and Information Management						
Support to the Personnel Function	0.1	0.2	0.1	0.2	0.1	0.1
Materiel Support						
Department/Forces Executive	6.2	10.4	10.5 ¹	7.0	6.0	10.8
Total Grants	6.3	10.6	10.6	7.2	6.2	10.9
CONTRIBUTIONS						
Maritime Forces						
Land Forces						
Air Forces						
Joint Operations and Civil Emergency Preparedness				4.6	191.4	149.2
Communications and Information Management						
Support to the Personnel Function	17.3	19.0	17.8	19.3	16.9	16.9
Materiel Support						
Department/Forces Executive	186.2	184.5	279.7 ¹	154.3	168.9	136.8
Total Contributions	203.5	203.5	297.5	178.3	377.2	303.0
Total Transfer Payments	209.8	214.1	308.1	185.5	383.4	313.9
1. Transfer payments associated with Emergency Preparedness Canada are incorporated into the figures for Policy Direction and Management Services for 1996-97 in accordance with the presentation contained in Estimates documents and the Public Accounts for that year.						


Financial Table 10 - Capital Expenditures by Service Line

Capital Expenditures By Service Line (millions of dollars)						
Service Line	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Total Authorities 1997-98	Actual 1997-98
Maritime Forces	1,009.2	808.4	519.9	503.8	422.7	400.2
Land Forces	925.0	917.5	882.6	639.4	795.9	752.7
Air Forces	340.7	534.0	556.2	545.0	477.3	451.0
Joint Operations and Civil Emergency Preparedness	50.4	59.0	22.5	67.1	68.3	67.3
Communications and Information Management	127.6	109.2	63.8	108.9	56.6	53.7
Support to the Personnel Function	59.0	73.6	118.2	73.8	95.6	92.5
Materiel Support	255.2	173.3	255.4	157.7	163.0	159.2
Department/Forces Executive	2.3	11.2	10.7	22.4	29.8	28.4
Total	2,769.3	2,686.3	2,429.1	2,118.0	2,109.2	2,005.1



Financial Table 11

Capital Projects - Capital Expenditure Details by Service Line

Capital Expenditure Details by Service Line

	(\$ millions)	Forecast 1997-98	Planned 1998-99	Planned 1999-00	Planned 2000-01
Maritime Forces		410.2	331.7	271.3	260.1
Land Forces		768.0	607.7	742.9	620.0
Air Forces		436.1	404.0	537.7	676.2
Joint Operations and Civil Emergency Preparedness		73.6	64.6	65.5	56.2
Communications and Information Management		52.4	94.2	78.7	87.1
Support to the Personnel Function		82.2	48.7	34.2	22.6
Materiel, Infrastructure and Environment Support		158.0	77.0	38.7	27.6
Department/Forces Executive		28.7	16.0	8.6	6.7
Total		2,009.2	1,643.9	1,777.6	1,756.5

All major capital projects are displayed with information on the class of the estimate (**substantive** (S) or **indicative** (I) and the extent of Treasury Board authority, i.e., **delegated to the department** (DA), **Preliminary Project Approval** (PPA) or **Effective Project Approval** (EPA). The following definitions apply:

Substantive Estimate - This estimate is one of sufficiently high quality and reliability so as to warrant Treasury Board approval as a Cost Objective for the project phase under consideration. It is based on detailed system and components design and taking into account all project objectives and deliverables. It replaces the classes of estimates formerly referred to as Class A or B.

Indicative Estimate - This is a low quality, order of magnitude estimate that is not sufficiently accurate to warrant Treasury Board approval as a Cost Objective. It replaces the classes of estimates formerly referred to as Class C or D.

Preliminary Project Approval (PPA) - This is Treasury Board's authority to initiate a project in terms of its intended operational requirement, including approval of, and expenditure authorization for, the objectives of the project definition phase. Sponsoring departments submit for PPA when the project's complete scope has been examined and costed, normally to the indicative level, and when the cost of the project definition phase has been estimated to the substantive level.

Effective Project Approval (EPA) - This is Treasury Board's approval, and the expenditure authorization for, the objectives of the project implementation phase. Sponsoring departments submit for EPA when the scope of the overall project has been defined and when the estimates have been refined to the substantive level.

Departmental Approval (DA) - Projects for which Treasury Board has delegated authority to the Department.


Financial Table 12 - Capital Projects By Service Line/Activity (\$000)

PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
<u>MARITIME FORCES</u>						
<u>Construction</u>						
<u>St. John's, Newfoundland</u>						
HMCS CABOT (I-PPA)	2,197	2,162	15	----	----	----
<u>Halifax, Nova Scotia</u>						
SRU(A) FACILITY (S-EPA)	22,400	499	10,045	11,856	----	----
MAIN SUPPLY BUILDING (S-EPA)	31,659	31,199	460	----	----	----
JETTY NN (S-EPA)	15,326	15,076	250	----	----	----
JETTY NB (S-EPA-DA)	35,710	35,355	355	----	----	----
FIRE FIGHTER TRAINING FACILITY (S-EPA)	14,489	1,262	7,245	5,920	62	----
<u>Charlottetown, Prince Edward Island</u>						
NAVAL RESERVE DIVISION (S-EPA)	11,539	1,489	50	----	----	----
<u>Hamilton, Ontario</u>						
NAVAL RESERVE DIVISION (S-EPA-DA)	5,207	5,207	----	----	----	----
<u>Esquimalt, British Columbia</u>						
SRU SHOP CONSOLIDATION (I-PPA)	10,200	6,406	3,794	----	----	0
REFUELING FACILITY UPGRADE (I-PPA)	3,393	471	2,020	600	300	----
FIRE FIGHTER TRAINING FACILITY (S-EPA)	18,215	1,528	9,693	5,660	1,334	----
NEW VENTURE NOTC FACILITIES (S-EPA-DA)	5,997	152	2,895	2,950	----	----
<u>Equipment</u>						



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
TOWED ARRAY SONAR SYSTEM (S-EPA)	100,705	95,480	3,378	1,847	0	0
CANADIAN PATROL FRIGATE (incl. Phase II) (S-EPA)	9,005,649	8,683,962	114,602	99,953	88,663	18,469
SUBMARINE OPERATIONAL UPDATE PROGRAM (S-EPA)	42,145	41,928	217	0	0	0
TRIBAL CLASS UPDATE AND MODERNIZATION PROJECT (S-EPA)	1,417,395	1,363,382	34,122	16,528	3,363	0
LINE OF SIGHT ULTRA HIGH FREQUENCY REPLACEMENT UPDATE (S-EPA)	18,769	18,710	59	0	0	0
CANADIAN MILITARY SATELLITE COMMUNICATIONS SYSTEMS (S-EPA)	16,604	16,309	195	100	0	0
OPERATION INFORMATION SYSTEM MARK III (S-EPA)	44,718	8,629	6,506	7,748	8,464	13,371
TORPEDO DEFENCE SYSTEM (S-EPA)	18,257	13,918	1,370	2,969	0	0
REPLACEMENT ELECTRONIC WARFARE SYSTEM (S-EPA)	53,409	52,521	888	0	0	0
NAVAL COMBAT OPERATOR TRAINERS (S-EPA)	34,852	16,851	16,558	1,443	0	0
MARITIME COASTAL DEFENCE VESSELS (S-EPA)	707,625	600,948	50,866	10,463	7,045	38,303
BLIND PILOTAGE TRAINER (S-EPA-DA)	3,217	3,068	149	0	0	0
JUNIOR OFFICER BRIDGE SIMULATOR (S-EPA)	16,814	11,787	3,105	1,922	0	0
PHALANX CLOSE-IN WEAPONS SYSTEM (S-EPA)	31,633	29,281	1,502	0	0	850
POLLUTION CONTROL SYSTEMS FOR SHIPS (S-EPA)	38,718	13,647	11,128	7,135	6,808	0
SUBMARINE ELECTRONIC SUPPORT MEASURES REPLACEMENT (S-EPA-DA)	9,054	8,865	189	0	0	0
ACTIVE PHASED ARRAY RADAR (S-EPA)	49,895	39,507	7,036	317	1,518	1,517
INTEGRATED UNDERSEA SURVEILLANCE CENTRE (S-EPA)	26,520	25,630	490	400	0	0
AUXILIARY VESSEL QUEST - MID-LIFE REFIT (S-EPA-DA)	9,316	6,625	2,691	0	0	0
IMPROVED POINT DEFENCE MISSILE (S-EPA)	32,219	28,197	2,737	694	591	0
MESSAGE HANDLING SYSTEM (S-EPA-DA)	8,072	4,636	1,500	950	850	136
ADVANCED ELECTRO-OPTIC SENSOR (S-EPA)	16,256	10,114	2,577	3,264	301	0
REMOTING OF NAVAL RADIO STATIONS (S-EPA)	39,368	54	12,792	18,331	7,309	882
COMMUNICATIONS - DATA LINK 16 (S-EPA-DA)	21,840	2,005	4,610	7,659	7,566	0
COMMUNICATIONS - DATA LINK 22 (I-PPA)	5,524	2,695	1,746	759	324	0
ADVANCED TACTICAL ELINT SHIPBOARD SYSTEM (S-EPA-DA)	25,878	914	2,277	7,278	8,233	7,176
NETWORKING COMINT CAPABILITY IROQUOIS & HALIFAX CLASS SHIPS (S-EPA-DA)	13,537	306	1,316	2,026	5,459	4,430
SHIPBOARD INTEGRATED NAVIGATION AND DISPLAY SYSTEM (S-EPA-DA)	4,225	986	2,965	274	0	0
IROQUOIS CLASS TRACK MANAGEMENT SYSTEM (S-EPA-DA)	14,117	150	3,094	5,745	3,641	1,487
SUPER HIGH FREQUENCY SATELLITE COMMUNICATION (S-EPA-DA)	4,886	329	4,557	0	0	0
LAND FORCES						



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
<u>Construction</u>						
VALCARTIER - MILITIA TRAINING SUPPORT CENTRE (S-EPA)	53,528	51,228	2,300	0	0	0
CONSOLIDATED DEPOT PROJECT (S-EPA)	28,853	28,413	440	0	0	0
<u>Sydney, Nova Scotia</u>						
VICTORIA PARK ARMOURY (S-EPA)	20,489	10,816	9,673	----	----	----
<u>Gagetown, New Brunswick</u>						
MILITIA TRAINING SUPPORT CENTRE (S-EPA)	61,867	27,122	32,802	1,943	----	----
CAMP PETERSVILLE IMPROVEMENT (S-EPA)	13,347	217	----	2,500	----	10,630
BASE MEDICAL/DENTAL CLINIC (S-EPA-DA)	7,031	7,031	----	----	----	----
<u>Quebec City, Quebec</u>						
MILITIA TRAINING SUPPORT CENTRE (I-PPA)	53,790	51	2,305	----	----	----
5 SERVICE BATTALION COMPLEX (S-EPA)	26,198	9,148	1,090	9,300	6,660	----
<u>Petawawa, Ontario</u>						
LIGHT INFANTRY BN FACILITIES (S-EPA)	14,662	14,662	----	----	----	----
SIGNALS SQUADRON FACILITIES (S-EPA)	13,311	----	910	----	----	12,401
<u>Shilo, Manitoba</u>						
RCHA COMPLEX (S-EPA)	27,688	25,187	2,501	----	----	----
<u>Wainwright, Alberta</u>						



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
MSA BUILDING (S-EPA)	12,187	12,187	----	----	----	----
MILITIA TRAINING SUPPORT CENTRE (S-EPA)	46,283	19,256	19,006	8,021	----	----
<u>Edmonton, Alberta</u>						
FITNESS FACILITIES (S-EPA)	4,622	4,622	----	----	----	----
<u>Equipment</u>						
CHEMICAL AGENT MONITOR (S-EPA)	33,399	33,032	202	165	0	0
DEPOT EQUIPMENT PROJECT (S-EPA)	20,428	19,658	770	0	0	0
IONIZING RADIATION SAFETY (S-EPA-DA)	7,378	4,617	1,643	23	23	1,072
HOWITZER UPGRADE AND AUGMENTATION (S-EPA)	44,242	39,095	5,147	0	0	0
LOW LEVEL AIR DEFENCE (S-EPA)	1,073,989	1,047,032	11,411	3,099	12,447	0
TACTICAL COMMAND CONTROL AND COMMUNICATION SYSTEM (S-EPA)	1,927,559	1,449,042	185,385	115,887	177,245	0
LAND FORCES COMMAND SYSTEM (S-EPA)	178,385	21,052	36,929	55,137	49,935	15,332
LIGHT SUPPORT VEHICLE WHEELED (S-EPA)	273,137	259,010	7,000	7,127	0	0
METEOROLOGICAL SYSTEM (S-EPA)	8,689	7,941	748	0	0	0
EQUIPMENT FOR LIVE FIRING RANGES (S-EPA)	37,397	24,266	13,051	80	0	0
GRENADÉ PROJECTOR (S-EPA)	14,326	611	175	13,540	0	0
COMPOSITE FIBRE HELMETS (S-EPA)	18,865	17,745	1,120	0	0	0
SHORT RANGE ANTI-ARMOUR WEAPONS (S-EPA)	173,532	137,241	14,207	22,084	0	0
LAND SOFTWARE ENGINEERING FACILITY (S-EPA-DA)	6,560	259	1,375	2,361	1,741	824
LASER BASED DIRECT FIRE WEAPON EFFECTS (I-PPA)	1,148	814	334	0	0	0
LAND TACTICAL ELECTRONIC WARFARE IMPROVEMENTS (S-EPA)	78,107	62,419	9,958	5,730	0	0
NIGHT OBSERVATION DEVICE LONG RANGE (S-EPA)	52,951	47,258	315	4,873	505	0
HEAVY LOGISTIC VEHICLE (S-EPA)	364,725	364,513	212	0	0	0
SURFACE MUNITIONS CLEARANCE DEVICE (S-EPA-DA)	5,692	4,858	297	537	0	0
LIGHT UTILITY VEHICLE WHEELED (S-EPA)	190,861	250	2,000	64,027	51,962	72,622
CENTRAL POWER VEHICLE (S-EPA-DA)	11,206	1,452	1,000	2,500	2,500	3,754
SIMULATION EQUIPMENT (S-EPA)	15,050	2,150	4,635	6,419	1,228	618
LYNX REPLACEMENT PROJECT (S-EPA)	869,565	726,040	74,284	55,190	14,051	0
ARMoured PERSONNEL CARRIERS (S-EPA)	792,421	115,931	274,174	365,381	15,935	21,000
CLOTHE THE SOLDIER PROJECT(DEFINITION) (PPA)	4,974	2,096	1,309	590	979	0
LEOPARD THERMAL SIGHT (S-EPA)	138,802	51,822	5,168	40,533	32,267	9,012



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
POSITION DETERMINATION AND NAVIGATION SYSTEM (S-EPA)	69,673	44,426	14,988	10,259	0	0
IMPROVED LANDMINE DETECTION CAPABILITY (S-EPA)	22,675	4,665	6,938	11,072	0	0
BALLISTIC PROTECTION FOR 'B' VEHICLE FLEET (S-EPA)	17,023	16,823	200	0	0	0
HEAVY DUMP TRUCK REPLACEMENT (S-EPA)	11,584	10,651	473	460	0	0
APC LIFE EXTENSION (I-PPA)	4,979	4,092	887	0	0	0
IMPROVED ENVIRONMENTAL CLOTHING SYSTEM (S-EPA)	58,427	6,029	13,207	17,202	15,527	6,462
COLD WET WEATHER GLOVE (S-EPA-DA)	6,002	0	4,425	1,156	0	421
<u>AIR FORCES</u>						
<u>Construction</u>						
<u>Bagotville, Quebec</u>						
EXTENSION TO MULTI-USE MAINTENANCE FACILITY (S-EPA-DA)	4,622	4,622	---	---	---	---
<u>Cold Lake, Alberta</u>						
AETE FACILITY (S-EPA)	19,800	2,803	10,941	6,056	---	6,056
ELECTRICAL AND MECHANICAL ENGINEERING FACILITY (S-EPA)	6,600	197	5,273	---	---	1,130
<u>Comox, British Columbia</u>						
WASH FACILITY (S-EPA-DA)	4,220	38,840	380	---	---	---
CF SCHOOL OF SEARCH AND RESCUE (S-EPA-DA)	2,100	2,100	0	---	---	---
<u>Equipment</u>						
ELECTRONIC SUPPORT AND TRAINING SYSTEMS (S-EPA)	202,690	162,604	20,805	15,370	2,051	1,860
NORTH AMERICAN AIR DEFENCE MODERNIZATION (S-EPA)	1,061,893	1,051,976	5,181	4,736	0	-672
SEARCH AND RESCUE SATELLITE (S-EPA)	64,532	63,511	643	219	159	0
CF18 - RADAR WARNING RECEIVER MODERNIZATION (I-PPA)	6,532	3,048	2,284	1,200	0	0
TACTICAL TRANSPORT TANKER (S-EPA)	347,911	312,751	25,710	9,450	0	0
MILITARY AUTOMATED AIR TRAFFIC SYSTEM (S-EPA)	162,304	50,595	25,615	47,269	23,365	15,460
CC130 - AVIONICS UPDATE (S-EPA)	95,880	5,181	40,530	48,169	2,000	0



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
ADVANCED AIRCRAFT NAVIGATION SYSTEM (I-PPA)	1,876	1,439	300	137	0	0
CT133 - SYSTEMS UPGRADE (S-EPA)	27,502	22,553	1,805	1,634	1,510	0
UTILITY TACTICAL TRANSPORT HELICOPTERS (S-EPA)	1,182,671	929,996	53,576	59,467	70,177	69,455
REGION/SECTOR AIR OPERATIONS CENTRE PROJECT (S-EPA)	57,396	20,454	25,355	11,587	0	0
NEW STRATEGIC TRANSPORT (S-EPA)	467,875	414,293	7,582	22,000	13,000	11,000
CP140 OPERATIONAL MISSION SIMULATOR (S-EPA-DA)	5,754	5,655	99	0	0	0
CF18 - RADAR UPGRADE (S-EPA)	68,789	67,700	1,089	0	0	0
CF18 - INTEGRATED SUPPORT STATION (S-EPA-DA)	7,481	1,073	2,007	4,401	0	0
CF18 - GROUND PROXIMITY WARNING SYSTEM (S-EPA)	8,914	7,794	242	878	0	0
HERCULES REPLACEMENT ACQUISITION (S-EPA)	103,650	89,478	14,172	0	0	0
AIR COMBAT MANOEUVERING RANGE INSTRUMENTATION (S-EPA-DA)	14,938	786	2,706	5,484	5,962	0
ADVANCED AIR-TO-SURFACE MISSILES (S-EPA)	103,690	75,828	11,634	16,228	0	0
8 AIR COMMUNICATION & CONTROL SYSTEM (S-EPA)	61,434	535	5,793	9,903	9946	35,257
CANADIAN SEARCH AND RESCUE HELICOPTER - DEFINITION (I-PPA)	4,913	4,913	0	0	0	0
AIR FORCE SURFACE THREAT ELECTRONIC WARFARE TRAINING (S-EPA-DA)	24,264	3,094	4,900	4,753	7,258	4,259
AIR FORCE ENVIRONMENTAL CLOTHING STANDARDIZATION (S-EPA-DA)	10,530	5,325	5,205	0	0	0
<u>JOINT OPERATION AND CIVIL EMERGENCY PREPAREDNESS</u>						
NUCLEAR BIOLOGICAL AND CHEMICAL MASK	31,391	30,888	503	0	0	0
NUCLEAR EMERGENCY RESPONSE TEAM (NERT) (S-EPA-DA)	6,143	5,519	279	285	60	0
JOINT TASK FORCE TWO (S-EPA-DA)	14,442	13,782	660	0	0	0
<u>COMMUNICATION AND INFORMATION MANAGEMENT</u>						
TACTICAL SECURE VOICE (S-EPA)	73,675	73,604	71	0	0	0
RESTRICTED ACCESS SYSTEM (S-EPA)	22,763	22,703	60	0	0	0
CENTRAL COMPUTATION PAY SYSTEM (S-EPA)	31,144	27,834	3,310	0	0	0
FOUNDATION GROUP OF SYSTEMS (S-EPA)	50,533	49,439	1,094	0	0	0
QUALITY ASSURANCE MANAGEMENT INFORMATION SYSTEM (S-EPA-DA)	6,620	6,420	200	0	0	0
INFORMATION TECHNICAL MANAGEMENT TOOLS (S-PPA-DA)	3,363	1,257	2,106	0	0	0
HIGH ARCTIC DATA COMMUNICATION SYSTEM (S-EPA)	34,004	13,733	7,718	9,686	2,867	0
DEFENCE MESSAGE HANDLING SYSTEM (S-EPA)	42,160	8,756	9,645	12,778	10,981	0
CLASSIFIED ELECTRONIC KEY MANAGEMENT SYSTEM (S-EPA)	20,562	7,199	7,756	4,807	800	0



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
ITERIM ELECTRONIC WARFARE OPERATIONAL SUPPORT CENTRE (S-EPA)	18,742	15,106	3,636	0	0	0
CFSRS REMOTE COLLECTION FACILITIES (S-EPA)	43,911	42,412	1,443	56	0	0
FINANCIAL INFORMATION SYSTEM - MK IV (S-EPA-DA)	15,595	14,115	1,480	0	0	0
EXTERNAL BASE CABLE NETWORK MODERNIZATION (S-EPA)	13,486	12,030	1,456	0	0	0
CABLE NETWORK MODERNIZATION ACROSS CANADA (S-EPA-DA)	7,367	6,041	1,326	0	0	0
NATIONAL CAPITAL REGION CABLE NETWORK MODERNIZATION (S-EPA-DA)	1,507	909	428	170	0	0
DEFENCE WIDE AREA NETWORK (S-EPA-DA)	2,295	664	1,631	0	0	0
DEFENCE DATA WAREHOUSE (S-EPA-DA)	1,441	618	823	0	0	0
INTEGRATED SERVICE ACCESS POINT (S-EPA-DA)	2,967	1,797	1,170	0	0	0
VIDEOCONFERENCING SERVICES (S-EPA-DA)	3,561	3,200	361	0	0	0
ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM (E-SPA)	3,705	2,009	1,696	0	0	0
INTEGRATED INFORMATION ENVIRONMENT DIRECTORY SERVICES (S-EPA-DA)	3,201	861	2,340	0	0	0
<u>SUPPORT TO THE PERSONNEL FUNCTION</u>						
SOCIAL INSURANCE NUMBER REPLACEMENT PROJECT (S-EPA-DA)	3,014	2,449	565	0	0	0
<u>Construction</u>						
<u>Greenwood, Nova Scotia</u>						
COMBINED FOOD SERVICES AND MESS FACILITY (S-EPA)	10,221	10,071	150	---	---	---
<u>Valcartier, Quebec</u>						
CADET AND MILITIA FACILITIES (S-EPA)	38,480	34,478	2	----	----	----
<u>Borden, Ontario</u>						
CFSEME MATERIEL TRAINING BUILDING (I-PPA)	2,200	---	2,200	----	----	----
<u>Wainwright, Alberta</u>						
TRAINEE QTRS (S-EPA)	15,647	15,361	386	----	----	----



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
<u>Equipment</u>						
RESERVE INTEGRATED INFORMATION PROJECT (S-EPA)	76,424	72,549	3,875	0	0	0
DEFENCE INTEGRATED HUMAN RESOURCE SYSTEM (S-EPA-DA)	17,772	12,981	4,791	0	0	0
<u>MATERIEL INFRASTRUCTURE AND ENVIRONMENT SUPPORT</u>						
<u>Construction</u>						
<u>Gagetown, New Brunswick</u>						
CFSME RANGE SUPPORT (S-EPA)	20,990	20,154	836	----	----	----
CFSME OPS/TRAINING (S-EPA)	28,172	27,940	232	----	----	----
CFSME TECHNICAL/SUPPORT SERVICES FACILITIES (S-EPA)	17,641	16,941	700	---	---	---
<u>Quebec City, Quebec</u>						
OPERATIONAL ENHANCEMENTS FOR THE LIGHT INFANTRY BATTALION (S-EPA)	13,157	13,107	50	----	----	----
<u>Montreal, Quebec</u>						
CLOSE ST. HUBERT (S-EPA)	17,502	13,352	4,150	----	----	----
<u>Farnam, Quebec</u>						
NEW RANGE FACILITIES (S-EPA)	9,490	8,585	905	----	----	0
<u>St. Jean, Quebec</u>						
MOVE CANADIAN FORCES OFFICER CANDIDATE SCHOOL TO ST. JEAN (S-EPA)	5,151	5,051	100	----	----	----
SUPPLY DEPOT (S-EPA)	25,159	24,829	330			----
<u>Trenton, Ontario</u>				----	----	



PROJECT TITLES	Currently Estimated Total cost	Forecast Expenditures to March 31, 1998	Planned Expenditures 1998-99	Planned Expenditures 1999-00	Planned Expenditures 2000-01	Future Years Requirements
RELOCATE CF PARA CEN (S-EPA)	13,727	13,027	700			
<u>Borden, Ontario</u>				----	----	
CADET CAMP FACILITIES (S-EPA)	16,250	13,673	2,577			----
<u>Wainwright, Alberta</u>						
FOOD SERVICES COMPLEX (S-EPA)	10,603	10,603	----			----
<u>Edmonton, Alberta</u>						
1 CMBG HQ & SIGS SQN AND 1 MP PL FACILITY (S-EPA)	13,537	13,537	---	---	---	---
RELOCATE 1 PPCLI FROM CALGARY (S-EPA)	19,133	19,133	----	---	---	----
OPERATIONAL ENHANCEMENTS FOR THE LIGHT INFANTRY BATTALION (S-EPA)	12,084	12,069	20	---	---	---
RELOCATE 1 FIELD AMBULANCE VEHICLE WASH AND FUELING FACILITIES (S-EPA)	3,741	3,741	0	---	---	---
LECTURE TRAINING FACILITY(S-EPA)	10,639	10,639	----	---	---	----
RANGE AND TRAINING AREA FACILITIES (S-EPA)	6,016	5,639	54	189	---	134
SINGLE QUARTERS (S-EPA)	20,847	20,847	----	---	---	----
<u>Equipment</u>						
CF SUPPLY SYSTEM UPGRADE (S-EPA)	265,959	164,804	68,922	30,907	1,326	0



Financial Table 13 - Loans Investments and Advances

This table is not applicable to DND

Financial Table 14 - Revolving Fund Financial Summaries

This table is not required as DND has no Revolving Funds.

Financial Table 15 - Contingent Liabilities

	<u>95/96</u>	<u>96/97</u>	<u>97/98</u>
Amount as at 31 March	\$5,192,896,759 ¹	\$5,225,253,854 ¹	\$141,580,329
Cases pending	133	135	148

While these individual cases are in various stages of litigation, it is not the policy of the Department to comment on their expected outcomes. They must however, be recognized as potential liabilities against the Crown and are therefore presented for information purposes only.

Note 1 Includes \$5,000,000,000 for a single claim relates to NATO overflights since 1979, Goose Bay, Newfoundland. This contingent liability for this claim was reduced to zero for 1997-98.

Accounting for Peacekeeping Costs

Financial table 16 provides the details on the full and incremental costs of peacekeeping and related operations. The full cost includes civilian and military salaries, allowances and benefits; special equipment purchases; the cost of moving and sustaining personnel and equipment; equipment depreciation; and special training costs.

Incremental cost is derived by excluding certain cost components - such as salaries, equipment depreciation and some equipment operating costs - which would have been incurred in the course of normal training and domestic operations. As such, the incremental cost is the additional cost to the Department of National Defence of undertaking the operation.

The Government of Canada is reimbursed, to a certain extent, by the UN for personnel costs (a monthly sum per person authorized by the UN), some preparation costs, transportation to and from the mission area, depreciation on contingent equipment, and death and disability payments.



Financial Table 16 - Cost of Peacekeeping and related Operations by Operations

(\$ millions)

United Nations Operations (Unless otherwise indicated)	FORECAST 1996-97			FORECAST 1997-98		
	Full Cost	Inc. Cost	Estimated UN Revenue	Full Cost	Inc. Cost	Estimated UN Revenue
Croatia (UNCRO - CANBAT I))	2.2	2.2	11.0			
Bosnia-Herzegovina (UNPROFOR - CANBAT II)	6.1	6.1				7.8
Croatia (UNPF.- CANTLOGBAT and others)	2.1	2.1				
Sarajevo Airlift (UNHCR)	0.2	0.2				
Adriatic (OP SHARP GUARD)	17	2.8				
Balkans (OP ALLIANCE-IFOR)	112.0	36.4		3.3	3.3	
Bosnia (OP PALLADIUM)	113.0	26.4		249.1	84.6	
OP BISON-MAMDRIM (ITALY)				3.6	2.4	
UNMACBIH-OP NOBLE(BOSNIA)				0.8	0.3	
CACIA-OP Mirador(Italy)				33.0	2.0	
UNMIBH(UNPREDEP/UNMOP)				0.4	0.1	
Cambodia (CMAC)	0.5	0.2		0.9	0.3	
Nagomo Karabakh (OSCE)	0.4	0.1				
India/Pakistan (UNMOGIP)	0.1	0.0		0.1	0.0	
Golan Heights (UNDOF)	24.2	3.9	4.2	26.4	6.4	5.6
Sinai (MFO)	3.0	0.9	0.1	2.7	0.9	0.6
Middle East (UNTSO)	1.4	0.6		1.4	0.6	
Iraq (UNSCOM)	0.5	0.2		0.6	0.3	
Kuwait (UNIKOM)	0.6	0.2		0.8	0.3	
Cyprus (UNFICYP)	0.0	0.0		0.4	0.2	0.3
Persian Gulf (MIF)	2.0	2.0				
Arabian Gulf (OP PREVENTION)	15.1	0.5		26.4	2.1	
Arabian Gulf (OP Mercador)				12.6	0.6	
Persian Gulf (OP Determination)				30.2	2.1	
Rwanda (UNAMIR II)	0.6	0.6				4.6
Rwanda (OP ASSURANCE)	40.5	14.5	3.1			
Haiti (UNMIH II)	4.0	2.0	11.0			
Haiti (OP STANDARD)	52.0	20.0	3.0			
Haiti (OP STABLE I)	45.0	12.0		3.0	3.0	23.2
Haiti (OP STABLE II)	52.0	13.0		26.0	6.0	
Haiti (OP STABLE III)				26.0	10.0	
UNSMIH HNP vehicle maintenance training team				0.3	0.1	
UNSMIH-OP Constable				46.8	13.5	
MIPONUH-OP Compliment				0.9	0.5	
MINUGUA-OP Vision (Guatemala)				0.5	0.1	
OP Assistance-Manitoba				91.3	30.4	
OP Recuperation-ICE STORM				105.0	44.0	
Totals	494.5	146.9	32.4	692.5	214.1	42.1

As of 31 March 1998.



Section V Consolidated Reporting

Sustainable Development
Leaky Underground Storage Tanks

Please refer to pages 33 to 35 – Support to Government Programs

Section VI Other Information

For more information on the Department of National Defence and the Canadian Forces please visit our Internet site, D-Net, at www.dnd.ca or contact the Public Affairs General Inquiries service at (613) 995-2534

RESERVE FORCE

Role

The 1994 Defence White Paper defined the primary role of the Reserve Forces as augmentation, sustainment and support of deployed forces and, in some cases, for tasks that are not performed by Regular Forces. Under the Total Force concept, both the Regular and Reserve Forces support the ongoing peacetime tasks and activities of the Canadian Forces.

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 elements of the Primary Reserve are the Naval Reserve, the Militia, the Air Reserve, the Communication Reserve and approximately 250 positions assigned to the National Defence Headquarters Primary Reserve List.

The Supplementary Reserve is broken down into 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, a sub component of the Reserve Force, 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 Programme is delivered. The financial requirements for the CIC are included in the CCO/CIC Corporate Account.

The Canadian Rangers is a separate sub-component of the Reserve Force. It 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, which cannot conveniently or economically be covered by other elements of the Canadian Forces.

THE PRIMARY RESERVE

Naval Reserve

The Naval Reserve consists of twenty four divisions located across Canada with its headquarters in Quebec City, Quebec, and under command of the Chief of the Maritime Staff. The Naval Reserve authorized manning level is 4,000 to 5,000 personnel. The Naval Reserve mission is to provide Maritime Command with trained personnel for the manning of combat and support elements, within the Total Force, 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, Harbour Defence, Mine countermeasures, Administrative and Logistic Support and community and public relations by maintaining a naval presence throughout Canada.

Training for the Maritime Coastal Defence task includes coastal surveillance and patrol, and mine countermeasures activities such as route survey (ocean floor mapping), mechanical mine sweeping and seabed object inspections. The new Maritime Coastal Defence Vessels have a multi-role capability in coastal surveillance and defence including a limited mine countermeasures capability.

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, two per coast. A dive inspection team supports each harbour defence organization. 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. The Naval Control of Shipping organization consists of four regional teams, two per coast.

Militia (Army Reserve)

The Militia structure, aligned under the Land Force Command's geographic area concept, is organized into ten Canadian Brigade Groups, under the command of the Chief of the Land Staff, with a current manning level of some 20,000 members. Plans call for this to eventually be reduced to 18,500. There are a total of 133 Militia units in 115 locations across the country. The mission of the Militia is to enhance the war deterrence capability of the CF and to support the Regular Force in ongoing peacetime tasks and activities, including participation in Canadian contingents with UN peacekeeping forces. This role is accomplished by providing trained individual and sub-sub-unit augmentation to the Regular Force. The Militia also serves as a mobilization basis as required. With a small Regular Army and a vast and sparsely populated landmass, Canada maintains an Army

presence in many communities only through the Militia. These troops are available for Aid to the Civil Power or Assistance to the Civil Authority operations.

Air Reserve

The role of the Air Reserve is to enhance the national emergency capability of the Air Force and to support the Regular component in ongoing peacetime tasks. The Chief of the Air Staff commands the Air Reserve. The Air Reserve planning level is 2,500 personnel for FY 98/99 and 3,000 personnel for FY 99/00. As of 31 May 1998, the strength of the Air Reserve was 1,785 personnel.

The Air Reserve is an integral part of the Total Air Force. Most Air Force Wings, Squadrons and Flights have been consolidated as units comprised of both Regular and Reserve Force personnel. The cost to operate these establishments varies only by the employment patterns of its members. The Air Reserve component of these units keeps the cost affordable, while the mix of Regulars and Reserves allows the optimization of readiness and sustainment levels needed to fulfil the Air Force mandate.

Air Reserve positions are fully integrated into the core processes at both NDHQ and 1 CAD HQ. There are fourteen Air Reserve Flights, and one detachment, located across the country that administer the Air Reserve program on Air Force wings. All Air Force flying squadrons are now Total Force, however, three squadrons are reserve-heavy with reserve force commanding officers. The Air Force also has one reserve-heavy Airfield Engineering Squadron and four reserve-heavy Airfield Engineering Flights. As well, it should be noted that many air reservists have assisted in recent UN, NATO, and domestic operations, providing relief to Regular Force support personnel, and air and ground crews.

Most air environment and support occupations are available to reservists. The Air Reserve targets occupationally qualified personnel such as former members of the Regular Force, or civilian candidates whose qualifications equate to those of the required military trades. Many of the pilots are former Regular Force pilots as the pilot training program is not conducive to a part-time reservist, although there are exceptions, particularly for skilled civilian pilots. The Air Reserve also recruits unskilled candidates and ensures that all required occupational and military training is provided.

Communication Reserve

The role of the of the Communication Reserve, as an integral part of the DISO organization is to:

- a. provide individual and sub-unit combat capable information technology/information management and information operations augmentation and sustainment as detailed in the CF Mobilization Plan;
- b. provide information management services (component specific tasked functions);
- c. provide the information technology/information management and information operations reserve component framework for mobilization; and

- d. provide a link between the Canadian military and civilian communities.

The annual average strength of the Communication Reserve is approximately 1900 personnel, with funding provided from two sources – CC5 to support DISO missions and a funding transfer from CC2, to recruit, train and administer personnel to support Army missions. Commanded by the DND CIO, the Communication Reserve is currently organized into 23 units divided into five AOR Groups located as follows: 70 Comm Gp – Trenton, 71 Comm Gp - St Hubert, 72 Comm Gp – Halifax, 73 / 74 Comm Gps – Edmonton, and the CF Information Ops Gp - Ottawa.

Training, to total force standards, and employment of the Communication Reserve, not including integral administration and logistical support, is based on a total of 1802 identified individual tasks. To this end, the Communication Reserve performs various operational tasks on a full time and part time basis which include:

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

All units are involved in the provision of Information Management services on a part time basis throughout the year, and, current and forecast, full time employment on an annual basis involves approximately 280 personnel year round and 1,340 during the peak summer training period.

The Communication Reserve is a readily available resource made up of dedicated personnel, whose contribution has made a positive contribution to the ability of DISO to meet the operational needs of the DND/CF.

THE CANADIAN RANGERS



The Canadian Rangers is a sub-component of the Reserve Force and is organized into patrol groups and patrols. Operational control is assigned on a geographical basis to Land Force Command and Canadian Forces Northern Area. Land Force Command has delegated control of the patrols down to the Area Headquarters which are responsible for domestic operations. Canadian Ranger patrols are located across the country and can be found in British Columbia, Yukon Territory, the Northwest Territories, Alberta, Manitoba, Ontario, Quebec and Newfoundland. Rangers usually function as individuals and, in conjunction with their civilian occupations they report any suspicious or unusual

activities in their respective areas and collect detailed information concerning their local area which may be of assistance in their other tasks, or of value to the Canadian Forces. These tasks are generally performed without pay. The appropriate rate of Reserve pay is paid for local training exercises, ground search and rescue and participation in other Canadian Forces exercises where they act as guides, advisors and survival instructors.

RESOURCE SUMMARY

The Reserve Force provides funding to other activities in addition to the support of the Reserve elements. This includes the Ceremonial Guard, the Canadian Forces Small Arms Competition, and the Compagnie Franche de la Marine. It should also be noted that the Reserve Force pay structure, pay levels and benefits are different from that of the Regular Force. The Reserve Force member earns approximately 85% of the salary of their Regular Force counterpart. Additionally, there is no pension plan in place, for either full or part-time reservists.

Primary Reserve Full Cost Estimate

The Primary Reserve accounts for approximately 9.6% of the total Defence Services Program. The expenditures are divided into four categories, namely: direct, indirect, attributed and capital. This method of reporting is intended to provide greater clarity on the make up of the total costs of the Primary Reserve.

Direct operating expenditures include funds specifically budgeted for the Primary Reserve such as pay, travel and goods and services which are locally procured. Indirect operating expenditures reflect the Primary Reserve share of departmental resources which are controlled centrally. Included are ammunition, equipment operating costs, clothing and the cost of maintaining facilities such as armouries. Attributed expenditures are departmental overhead costs which are allocated, for reporting purposes, to all activities including the Primary Reserves. In reality, these costs do not vary directly as a function of activity and would largely be incurred whether the Primary Reserve existed or not. Capital expenditures are shown for the year in which payments have been made, and do not reflect an amortization of cost over the life of the asset. As such, the capital expenditures can vary significantly from one year to the next, depending on priorities established within the capital equipment plan.

RESOURCE SUMMARY

Primary Reserve Expenditures (\$000)			
Type of Expenditure	1995-96 Actual Expenditures	1996-97 Actual Expenditures	1997-98 Actual Expenditures
Direct Expenditures			
Reserve Pay	211,530	214,647	259,591
Regular Support Staff	97,965	101,612	127,614
Reserve Operating Budgets	27,824	27,927	28,460
Subtotal Direct	337,319	344,186	415,666
Indirect Expenditures			
Ammunition	39,075	31,133	26,207
Equipment Usage	57,545	59,704	79,081
Clothing	17,496	17,941	18,276
Facility Operating	28,269	28,831	29,656
Subtotal Indirect	142,385	137,609	153,220
Attributed Expenditures			
Base Support	104,595	103,673	97,376
Training	4,476	4,644	8,076
Subtotal Attributed	109,071	108,317	105,452
Primary Reserve Operating Expenditures	588,775	590,112	674,337
Capital Expenditures			
Dedicated Capital	45,628	54,137	34,238
Shared Capital	329,822	300,956	269,889
Subtotal Capital	375,450	355,093	304,127
Total Primary Reserve Costs	964,225	945,205	978,464
FY 95/96	Expenditures for FY 95/96 as published in the 1997-98 Defence Estimates Page 4-123		
FY 96/97	Actual expenditures for FY 96/97 as published in the National Defence Performance Report for the period ending 31 March 1997		
FY 97/98	New Costing 97/98		



CANADIAN CADET PROGRAM

Objective

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*, will control and supervise the Canadian Cadet Organizations (Royal Canadian Sea Cadets, Royal Canadian Army Cadets and Royal Canadian Air Cadets) in the implementation of the Cadet Program. In carrying out this responsibility, the Canadian Forces shall take into account the known policies and objectives of the Cadet Leagues and local sponsors, and shall cooperate with them to the fullest extent possible.

Management Principles/Key Initiatives

While respecting the mandate and capabilities of all partners, the management structure and practices will be based on service, empowerment, innovation and accountability. To this end the Canadian Cadet Organization will:

- a. promote consultation, communication, participation and innovation as the foundation of our leadership and human resource management practices;
- b. delegate increased authority and permit greater managerial flexibility at all levels, balanced by attendant accountability for results and the manner in which they are achieved;
- c. encourage innovative decision-making and accept increased risk management, guided by the values of good citizenship and the military ethos;
- d. foster continuous improvement in results and efficiency, and promote a service orientation in accomplishing the tasks;
- e. adopt accountability-oriented planning and resource management which link objectives and activities with resources, make costs visible, and identify results achieved; and
- f. foster more cost-effective and competitive activities by confirming the value-added practices, exploring service delivery options, considering commercial standards, and giving users of internal services increased choice and responsibility.



Vision

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

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

Change Management Issues

In November of 1995, the Armed Forces Council (AFC) agreed that there would be a fundamental change in the way the CCO/CIC carried out business. It resulted in the re-allocation of direct financial resources previously given to bases/Group Principals, to Regional Commanders, with NDHQ exercising overall budgetary control. This resulted in the Regional Cadet Officers (RCOs) shifting from Responsibility Centre Management to Fee for Services. Also, no increase or decreases to the Corporate Account can be actioned without the concurrence of the VCDS.

The AFC also agreed that programme development and policy would rest with the Chief of Reserve and Cadets, in consultation with the functional Commanders, and that Regional implementation of the Cadet programme would rest with the Regional Commanders.

Organization for Delivery

The Canadian Cadet Organization one of two federally sponsored national youth training programmes for 12-18 year-olds. The programme is conducted in partnership with the Navy League, Army Cadet League, and Air Cadet League, which provide local sponsors for each corps or squadron. DND provides Regular Force and Primary Reserve support as well as the Cadet Instructors Cadre, who are members of the Reserve Force, charged with the supervision, administration and training of cadets.

There are approximately 60,000 Canadian youth in the Cadet programme who benefit from the training given or organized by some 1,100 cadet corps or squadrons, 610 cadet bands, 26 Cadet Summer Training Centres, and various gliding, sailing and land training schools and centres located across the country.

Performance Expectations

Prior to 1996/97, the CCO was not included as separate entity in the Part III of Estimates, but only alluded to in the Reserve Force Supplementary Information chapter. Based on recommendations from the Chief Review Services (CRS) (NDHQ Program Evaluation,



the DND/CF Cadet Program) for the inclusion of cadet activities and support requirements in the key departmental strategic and / or planning documents, the incorporation of cadet activity levels into the Part III Estimates was established during 1996/97.

The following performance measures are being/continue to be developed for the CCO/CIC as a baseline for future planning processes:

- a. CCO/CIC continue as a Corporate Account with a special profile to PMB;
- b. achieve a steady-state of 60,000 cadets;
- c. the business planning process be further refined and that national and regional plans be coordinated by the VCDS into the national CCO/CIC Business Plan;
- d. review processes and support to make use of Alternative Service Delivery when and where practical;
- e. coordinate and/or provide administrative and logistical support to the Sea, Army and Air Cadets and the Cadet Instructors Cadre in accordance with established training priorities and plans;
- f. continue to develop more meaningful policies for the CCO/CIC within departmental guidelines;
- g. continue to develop a healthy and constructive partnership with the Navy League, Army Cadet League and Air Cadet League to the overall benefit of the CCO

Resource Summary

The funding allocations to the Canadian Cadet programme amount to approximately \$107 million or 1% of the total Defence Services Program.



National Defence Cadet Program Expenditures

(\$000)	Actual 1995/96	Actual 1996/97	Forecast 1997/98	Actual 1997/98
Personnel	41,540	48,110	51,237	56,986.8
Operating	18,954	46,933	48,549	48,351.1
Sub-Total	60,494	95,043	99,786	105,337.9
Grants	615	615	615	615
Capital		1,194.7	655	858.1
TOTAL	61,109	96,852.7	101,056	106,811

Performance Accomplishments

More than 60,000 cadets benefited from the Local Headquarters training programme (training within the community) and 21,000 of these cadets attended summer training courses and international exchanges. The increases in the actual personnel expenditures are a result of the increase to CF pay rates and the incorporation of the Reserve Get-Well Package. The increase to capital expenditures has been achieved through reallocation of existing funds from within the Corporate Account.

To assist with the long-term planning for the organization, the CCO/CIC Strategic Guidance was issued outlining key issues, corporate goals, priorities, special initiatives and available resources for the organisation. This guidance 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 CF and the Leagues have embarked upon a renewal process to ensure it continues to offer vibrant and attractive training programmes well into the 21st Century. The study and implementation of the recommendations produced by the strategic review, as part of the renewal process, will constitute a major undertaking and will incorporate a review of many of the existing issues and procedures

JUNIOR CANADIAN RANGERS PROGRAM

Objective

The objective of the Junior Canadian Rangers Programme is to provide a structured youth program in remote and isolated communities of Canada. The criteria for the establishment of a Junior Canadian Ranger patrol is the presence of an established Canadian Ranger patrol, no Cadet unit in the community and significant community support.

Mandate

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

Management Principles

While respecting the mandate and capabilities of all partners, the management structure and practices will be based on service, empowerment, innovation and accountability. To this end the Junior Canadian Rangers organization will:

- a. promote consultation, communication, participation and innovation as the foundation of our leadership and human resource management practices;
- b. delegate increased authority and permit greater managerial flexibility at all levels, balanced by attendant accountability for results and the manner in which they are achieved;
- c. encourage innovative decision-making and accept risk management, guided by cultural values, good citizenship and military ethos;
- d. foster continuous improvement in results and efficiency, and promote a service orientation in accomplishing the task;
- e. adopt accountability-oriented planning and resource management which link objectives and activities with resources, make costs visible, and identifies results achieved; and
- f. foster more cost-effective and competitive activities by confirming the value-added practices, exploring service delivery options, considering commercial standards, and giving users of internal services increased choice and responsibility.

Structure and Roles

The Junior Canadian Rangers Programme is one of two federally sponsored national youth programmes (the other being the Canadian Cadet Programme) for 12- to 18-year-old males and females in Canada. The programme is conducted in partnership with local and regional Junior Canadian Rangers committees composed of community members. The support of the community is the cornerstone of the Junior Canadian Rangers Programme. The participants, leaders and resources for the Programme 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 Programme. Training is validated regularly by Canadian Forces personnel during field exercises.

Performance Expectations

Approximately 600 female and male Junior Canadian Rangers benefit from the training given in remote and isolated communities across the country. This 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.

Resources Summary

The funding allocations for the Junior Canadian Rangers Programme amount to \$823K, as allocated by DND and DHRD. The summary below outlines how that funding was allocated for FY 97-98.

Junior Canadian Rangers Programme Expenditures

(\$000)	Actual 1997/1998	Forecast 1998/1999
Personnel	\$154K	\$271K
Operating	\$396K	\$549K
Total	\$550K	\$820K

Performance Accomplishments

Since October 1997, 12 Junior Canadian Ranger patrols have been stood up for a current total of 21 patrols (580 Junior Canadian Rangers are presently members of the Programme). The Junior Canadian Rangers Programme is expanding as communities are asking for patrols; it is therefore estimated that a minimum of 10 patrols will be stood up during FY 98-99. As the Junior Canadian Rangers Programme is in its initial stage, control measures are still in development.

Section 1: Message from the Executive Director



The strength of Canadian search and rescue (SAR) lies in a wealth of expertise, partnerships and a commitment to cooperation by SAR responders and prevention practitioners from many jurisdictions. Although faced with increased pressures on resources, SAR providers delivered innovative and quality prevention and response services in FY 1997-98, and they were instrumental in saving many lives at risk and hopefully preventing any incidents from occurring.

Through daily coordination and interaction with current and potential partners in the SAR community, the National Search and Rescue Secretariat (NSS) continued to develop and strengthen the National Search and Rescue Program (NSP). These efforts resulted in more comprehensive dissemination of information, new initiatives, reduced duplication, expanded partnerships, greater consensus and enhanced SAR performance.

The NSS took a pro-active role under three main thrusts to increase effectiveness, efficiency and economy of search and rescue response and prevention services in Canada.

Result 1: developed a cohesive and efficient National Search and Rescue Program

- Improved comptrollership under the New SAR Initiatives Fund (NIF) of 114 projects, (69 new and 45 continuing) valued at \$10.3 M, to enhance prevention and improve Canadian SAR capability; produced a more complete and user-friendly NIF program guide; completed 61 projects. Published summaries of accomplishments of completed projects.
- Completed the SAR Cooperation Review that resulted in senior management agreeing to revisit the federal SAR vision, objectives and strategies. The Interdepartmental Committee on Search and Rescue (ICSAR) agreed to work towards closer ties with non-federal counterparts and to identify performance information required to manage the SAR program as a cooperative endeavour.
- Created a SAR Prevention Working Group to assist in implementing the prevention review recommendations and to develop an improved prevention program.

Result 2: established effective information and tools

- Collected data on SAR incidents to help improve program development and decision making capabilities.
- Created the single Canadian Beacon Registry that consolidated two beacon registries (Personal Locator Beacon (PLB), Emergency Position Indicating Radio Beacon (EPIRB)) and incorporated a new element, (Emergency Locator Transmitters (ELT)) resulting in a more efficient and effective SAR system.

Result 3: established influential national and international partnerships

- Sponsored the sixth SARSCENE workshop and tradeshow, and first-ever SAR games in partnership with the Sault-Ste. Marie, ON, SAR volunteer organization. This increased opportunities at the national and international level to improve SAR expertise and exchange SAR information.

There have been major NSP challenges along the way. Cutbacks in resources added more pressures on the already highly committed service. While resource reductions are expected to continue to have an impact on future SAR services, concerted efforts will be made to maintain the current level of SAR through improvements in volunteer SAR standards, training, and modernization of equipment. Discussions continue with ICSAR, its Subcommittees and the Ground SAR Council of Canada on a strategic national direction for SAR in Canada to preserve or improve SAR efficiency, effectiveness and economy.

Section II: National Search and Rescue Secretariat Overview

National Search and Rescue Secretariat (NSS)

The objective of the NSS is to advance the objectives of the National SAR Program by coordinating, supporting, promoting and reviewing the activities of the federal and non-federal agencies which provide SAR services to people in distress throughout Canada's areas of jurisdiction.

The National Search and Rescue Secretariat (NSS) provides the focus to coordinate the development of search and rescue policies throughout Canada. The NSS reports directly to the Lead Minister of Search and Rescue (LMSAR), who is the Minister of National Defence.

The NSS provides central coordination and leadership for the NSP, in partnership with the Interdepartmental Committee on Search and Rescue (ICSAR). The NSS also manages the New SAR Initiatives Fund (NIF) on behalf of the LMSAR.

The NSS Business line is **“the National SAR program”**.


National Search and Rescue Program (NSP)





The objectives of the NSP are:



- **to improve SAR delivery throughout Canada's jurisdictional areas;**
- **to promote the prevention or mitigation of SAR events, injury and loss of life; and,**
- **to enhance effectiveness, efficiency and economy in the performance of all SAR functions.**

“The NSP is a unique undertaking by federal and participating provincial, municipal and private Search and Rescue (SAR) organizations with the objective of saving lives by enhancing SAR prevention and the provision, throughout Canada's accepted areas of responsibility, of effective and affordable SAR services.”

- *NSP Concept paper, October 14, 1991*

Overview of Federal SAR Organizations	
National Search and Rescue Secretariat (NSS) 	<p>The NSS is responsible for coordinating, supporting, promoting and reviewing the NSP. The NSS supports Federal and Non-federal SAR programs with the following key areas of activity: Federal Coordination, Non-federal SAR Program Coordination, Client Services and Program Review.</p>

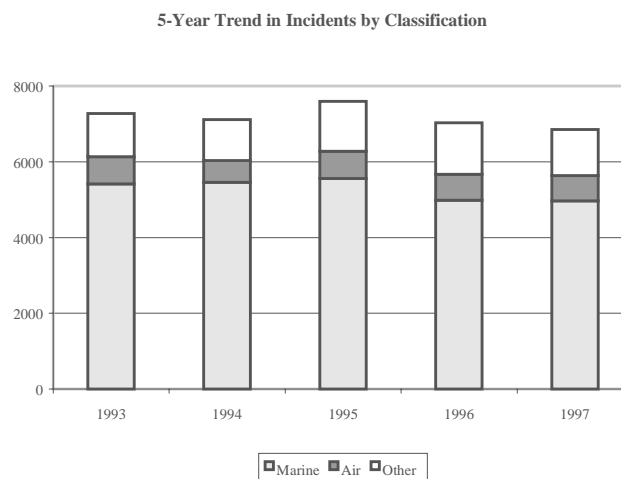
<p>Department of Canadian Heritage (CH) – (Parks Canada)</p> 	<p>Parks Canada is responsible for the planning, coordination, policy development and delivery of prevention, risk management and search and rescue services in its 38 national parks/reserves (222,282 square kilometres), 3 national marine parks and reserves (4,821 square kilometres), 131 national historic sites and 7 historic canals, with field units in all regions of Canada.</p>
<p>Environment Canada (EC) (Atmospheric Environment Services) (AES)</p> 	<p>Environment Canada is responsible for the provision of weather forecasts and warnings to help Canadians safeguard their lives and property. EC issues over a million forecasts and weather warnings (over 200,000 marine; 400,000 aviation; and 500,000 for public interests) annually. The Department also operates an integrated program of meteorological research and development (R&D) to better understand atmospheric phenomena and to develop more efficient and reliable techniques and technology for the delivery of weather services.</p>
<p>Department of Fisheries and Oceans (DFO) (Canadian Coast Guard) (CCG)</p> 	<p>The Department of Fisheries and Oceans, through the Canadian Coast Guard, is responsible for primary marine SAR services for maritime and aeronautical incidents in areas of federal responsibility, through specially-equipped CCG vessels and hovercraft. It provides secondary SAR services from its fleet of ships and other resources; in collaboration with DND coordinating the delivery of SAR responses by providing marine expertise to the Rescue Coordination Centres (RCCs) in Halifax, NS; Trenton, ON; and Victoria, BC; operates two Maritime Rescue Sub-Centres (MRSCs) in St. John's, NF; and Quebec City, QC; and administers the Canadian Coast Guard Auxiliary (CCGA), a volunteer organization. The CCG, under its Office of Boating Safety (OBS), delivers a comprehensive prevention program targeting boaters at highest risk of becoming involved in SAR incidents, including recreational boaters and commercial fishers.</p>
<p>Department of National Defence (DND) (Canadian Forces) (CF)</p> 	<p>The Canadian Forces, Department of National Defence are responsible for the effective operation of the combined Canadian Forces, Canadian Coast Guard air and marine SAR system noted above. The Canadian Forces also provide air SAR resources to conduct air and marine operations.</p>

<p>Solicitor General (SolGen) (Royal Canadian Mounted Police) (RCMP)</p> 	<p>The RCMP is responsible for providing inland marine and land SAR for lost or missing persons in provinces, territories and municipalities where police services are provided under contract.</p>
<p>Transport Canada (TC)</p> 	<p>Transport Canada is responsible for providing accident prevention services by developing and enforcing policies, regulations, guidelines, standards and recommended procedures aimed at controlling risk in marine, air and surface transportation. These activities focus on preventing accidents and incidents including those, that may require a SAR response.</p>

SAR Incidents in Canada in 1997

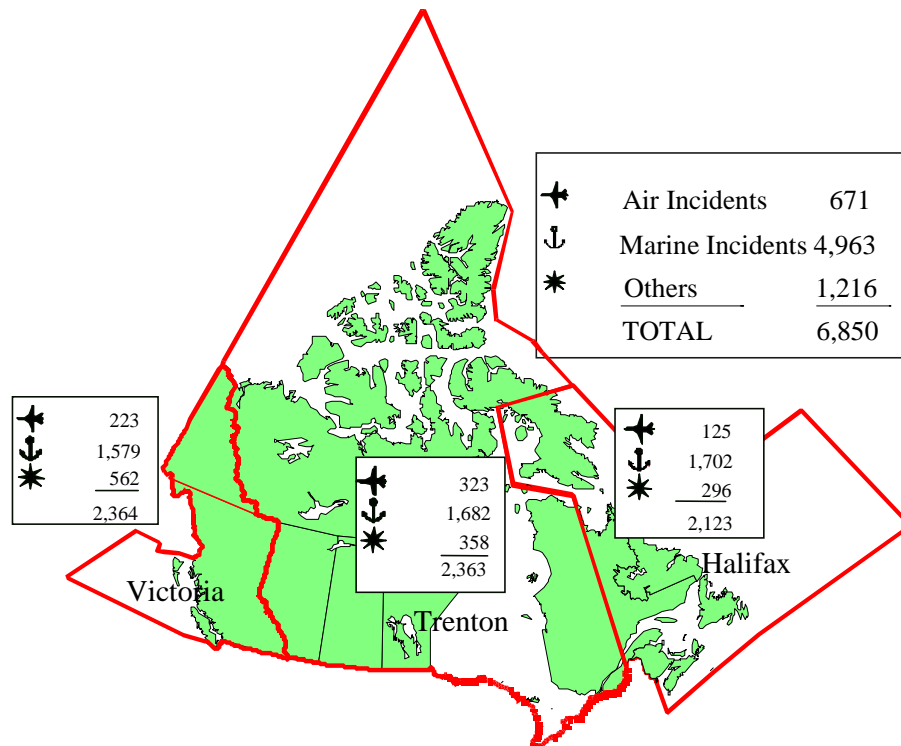
Figure 1: Details of Incidents as reported by the Rescue Coordination Centres (RCCs) (1997)

Figure 1 displays the 5-year trend in incidents by type.



The Canadian Mission Control Centre (CMCC) reported 110 emergency beacon incidents and 53 lives saved. CMCC, located in Trenton, receives alerts through the COSPAS-SARSAT organization, which are then passed to the appropriate Rescue Coordination Centre (RCC).

Figure 2 below displays a summary of federal aeronautical, maritime and CASARA SAR incidents that occurred and were handled by the Rescue Coordination Centres (RCCs) in each of the 3 regions in Canada. “Others” includes humanitarian incidents, civil aid and false alarms that required a SAR response.

Figure 2: Federal SAR incidents as reported by the RCCs**An example of involvement of a SAR Department – CH (Parks Canada)**

Parks Canada continues to maintain strategic alliances and partnerships with other federal departments at the national and field level. Parks Canada assists the Canadian Coast Guard (CCG) search and rescue response in marine areas bordering national parks, and provides marine prevention programs in the areas of water and vessel safety, beach patrol and navigation.

Figure 3: Summary of incidents in National Parks and National Historic Sites

Parks Canada parks, sites and canals receive approximately 25 million person visits annually. In 1997-98, staff responded to 1,474 incidents of which 343 were distress or potential distresses. Approximately 111 lives were saved and a further 1,278 persons were assisted.

The increase in public safety incidents can be partially attributed to improvements in the actual reporting of incidents by field units. The decrease in person-visits is partially explained by diminished accuracy in reporting of attendance data and the implementation of a new fee schedule for parks and sites. Parks Canada continues to place a high priority on prevention.

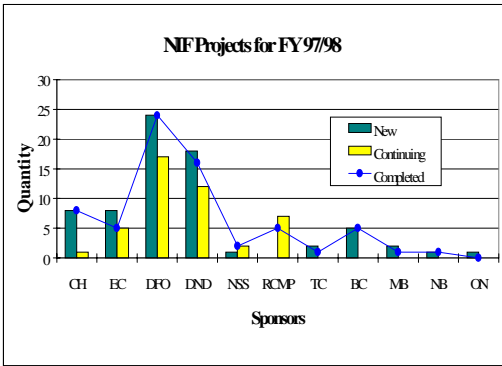
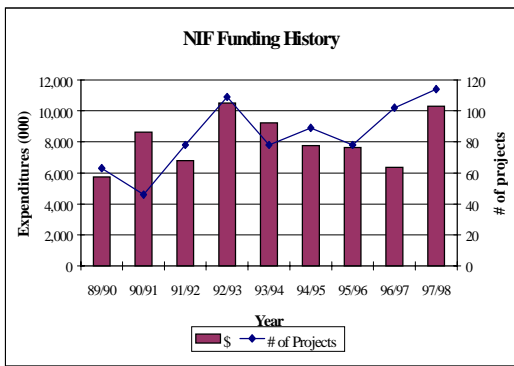
Overview of Non-federal SAR organizations	
Non-federal involvement in the NSP includes programs and activities to carry out search and rescue services in jurisdictions other than federal government departments. This includes the provinces and territories, the large Ground SAR (GSAR) volunteer sector, and police agencies of all jurisdictions.	
Provincial/Territorial Emergency Measures Organizations (EMO)	The provincial/territorial EMO director, or equivalent, is usually the officer that represents the authority of the province in search and rescue. The EMO director is responsible for SAR planning, communications, and training for personnel in other agencies as well as for the volunteers organized within the province or territory.
Provincial/Territorial Police Organization	The RCMP is the contracted provincial/territorial police in 10 of Canada's 12 provinces and territories. They provide the operational readiness and coordination of SAR incidents within their areas of jurisdiction, and often provide training and other support to volunteer SAR teams. In Ontario, the Ontario Provincial Police provide these services, as do the Sûreté du Québec in that province.
Other jurisdictional emergency services agencies	Many municipal and regional areas of Canada transcend urban boundaries and the police agency of jurisdiction is often called to perform operational SAR activities and/or coordination. This also can involve the area fire services, some of which train in SAR planning and operations. The volunteer SAR workers in some areas are also the volunteer fire fighters, and some have taken advantage of fire training and equipment and have made formal arrangements with the provincial police authority to act as the area GSAR team.

A strong source of Ground SAR knowledge and experience rests in the volunteer sector. The training and use of volunteer teams is inconsistent nationally, although most of the larger teams possess training and experience beyond police levels, and are often deployed as Ground search managers, reporting to a police incident commander. The NSS is making efforts to harmonize the process of training these volunteers, and to encourage provincial/territorial volunteer certification plans, as well as develop a national system of training accreditation.

Costs of non-federal aspects of the NSP will be derived after greater organization of the non-federal NSP components develops into a national context.


Section III: National Search and Rescue Secretariat (NSS)/National Search and Rescue Program (NSP) Performance

A summary of the NSS performance, and the performance of other federal departments in support of the NSP, is organized under three main results, and displayed below:

Result 1: Developed a cohesive and efficient National SAR Program	
Deliverables	Performance
Funding available to all SAR jurisdictions, to improve the effectiveness, efficiency and economy of the NSP and SAR delivery	<ul style="list-style-type: none"> Funded and managed 114 projects which were federally/provincially/territorially sponsored, under the New SAR Initiatives Fund (NIF) (69 new and 45 continuing) valued at \$10.3M, that enhanced prevention and improved Canadian SAR capability; distributed "New SAR Initiatives Fund (NIF) Final Reports" summarizing the accomplishments of 52 projects completed in FY 96/97 to increase awareness and reduce duplication of future projects; completed 61 projects in FY 97/98. <div style="display: flex; justify-content: space-around;">   </div>
Streamlined and modernized operations Continued review of options and alternatives	<ul style="list-style-type: none"> Revised the NIF Guide to provide complete, generic, easy-to-understand information about the policies and procedures of the NIF program for all user groups. Continued integration of all jurisdictional SAR activities through multi-jurisdictional contact, activities and advice. Coordinated an agreed national SAR policy in cost recovery. Conducted audits on 5 NIF projects, resulting in agreements to improve project planning, monitoring and evaluation. Completed the SAR Cooperation Review, which resulted in senior management agreeing to revisit the federal SAR vision, objectives and strategies. The Interdepartmental Committee on Search and Rescue agreed to work towards closer ties with non-federal counterparts and to identify performance information required to manage the program of SAR as a cooperative endeavour.

Result 1: Developed a cohesive and efficient National SAR Program (cont'd.)	
Deliverables	Performance
Participation in SAR committees	<ul style="list-style-type: none"> All federal and provincial/territorial SAR departments and organizations participated in SAR committee activities. Representations at ICSAR, the Coordination and Review Subcommittees and Prevention Working Group have positively influenced the strategic direction of the National SAR program. The GSAR Council has made major strides in developing benchmarks and standards of training leading towards greater integration of the NSP.
Improvement in Canadian Coast Guard SAR program effectiveness	<ul style="list-style-type: none"> CCG continued work to maximize cost saving measures by increased fleet multi-tasking while maintaining SAR Program operational standards; introducing new ARUN-type lifeboats in Eastern Canada to replace obsolete lifeboats; and continuing to work with DND and other SAR organizations in all aspects of SAR. CCG advanced efforts to move the Office of Boating Safety from an interim to more fully established organization, including the development of a Business Case for the national program. A team-based approach, with participation from personnel from across the country, proved successful in articulating national program direction, program components, driving strategies and principles, and respective roles of headquarters and regional organizations to deliver the national program.
Assessment of modern technological advances to provide greater efficiency and effectiveness in the management and prosecution of SAR incidents	<ul style="list-style-type: none"> CF trials of the Self-Locating Datum Marker Buoy (SLDMB), funded under the NIF, proved highly successful in assessing object drift in ocean environments. The saving of one life was partly attributed to this new equipment and the CF is now in the process of procuring SLDMBs for operational use. NSS supported the GEOSAR Demonstration and Evaluation (D&E) study to facilitate the formal addition of geostationary SAR alerting satellites into the COSPAS-SARSAT system. CF purchased through NIF, a new Geostationary satellite signal processor that will provide near instantaneous alerting with the emergency location. Also, a new Telemetry Monitoring device was bought, through NIF, that will minimize errors when calibrating Canada's satellite payloads.
	<ul style="list-style-type: none"> CF developed a computer model through the NIF to predict the survival time of people exposed to wet and cold weather conditions. This will be another tool to assist the controller to determine when the search can be reduced. CF developed a body-warming device using NIF funds. The device performed well in trials and will be further refined. The system will be promoted at every opportunity to encourage corporate sponsorship.
	<ul style="list-style-type: none"> RCMP and CF worked together to widely disseminate information pertaining to potential Y2K Global Positioning System (GPS) problems resulting in more awareness and better understanding of the Y2K problem.
	<ul style="list-style-type: none"> TC continued development of a multi-modal safety management model to provide national standards for use by its regional offices that deliver services to clients across the country.

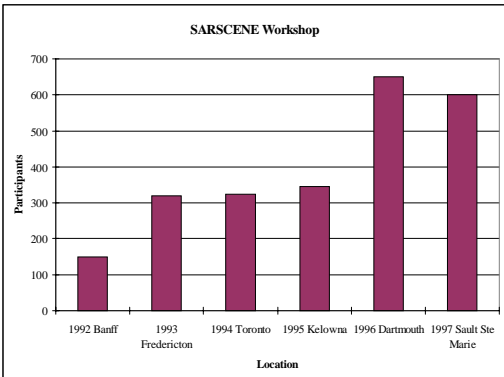
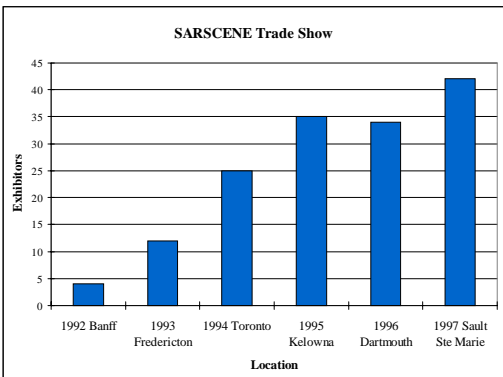
Result 2: Established effective information and tools

Deliverables	Performance
Enhanced communications and prevention activities	<ul style="list-style-type: none"> Sponsored the sixth SARSCENE workshop and trade show, and first-ever SAR games in Participation ie Sault Ste. Marie, ON, SAR volunteer organization which increased opportunity at the national and international level to improve expertise and exchange information. <div data-bbox="483 510 698 724">  </div> <p>The NSS Awards Program was introduced in 1995 to acknowledge outstanding work by SAR volunteers, professionals and agencies and to raise awareness of SAR efforts across the country. In 1997, Lt. Colonel Keith Gathercole, a former CF SAR helicopter pilot was the Outstanding SAR Achievement Award winner. Twelve Certificates of Achievement were also awarded</p>
Develop a common database for emergency beacons Continued cooperation and integration of prevention initiatives, SAR jurisdictions and resources	<ul style="list-style-type: none"> Formed a Prevention Working Group who formulated a vision, objectives and implementing strategies for the NSP Prevention Program. Created the single Canadian Beacon Registry which consolidated two beacon registries (Personal Locator Beacon (PLB) and Emergency Position Indicating Radio Beacon (EPIRB)) and incorporated a new element (Emergency Locator Transmitters (ELT)) resulted in a more efficient and effective system for SAR providers. TC and CCG committed financial and technical support to the Canadian Beacon Registry operated by the NSS. TC developed a Safety and Security Strategic Plan that provided the department and its stakeholders with a clear picture of the Department's future safety and security priorities. Once the plan is completed, performance measurement indicators will be used to measure how well the department is doing in achieving its strategic objectives regarding safety and security of the transportation system. Continued to develop a fully integrated SAR management information system that will function as a clearinghouse for all available SAR data. Developed the foundations for a ground search and rescue information database through extensive consultation. Expanded the content, size and advertising in the quarterly newsmagazine, SARSCENE, resulting in advertising revenue of \$13,000. Expanded the availability of the NSS Resource Centre collection of printed and audio-visual SAR materials to SAR providers, and others. Extended the use of electronic media resulting in broader distribution of SAR information, and maintained and updated the NSS Internet site. Expanded alternative funding mechanisms for all NSS SAR information products resulting in additional revenue generation. Co-chaired and supported 50th Anniversary of the CF SAR activities, publications and web site to help publicize and recognize the accomplishments over the past 50 years. Expanded the distribution of NIF program and project information making it more accessible to new applicants and to advertise program accomplishments (e.g., SARSCENE magazine, workshop, Web site)

Result 2: Established effective information and tools (cont'd.)	
Deliverables	Performance
Comprehensive visitor risk management program for National Parks, National Marine Conservation Area and Reserves, National Historic Sites and Historic Canals	<ul style="list-style-type: none"> Parks Canada sponsored production of an educational video entitled Beating the Odds by the Canadian Avalanche Association (NIF-funded project). This video won the Best in Instructional and Technique Award at the 1997 International Ski and Snowboard Film Festival in Crested Butte, Colorado.
1997 to 2000, modernize the national weather Warning System (Radar and lightning detection networks, TV all channel alerts)	<p>Radar Network :</p> <ul style="list-style-type: none"> EC's network of weather radar will become an all Doppler radar network by adding new Doppler radars, and giving the remaining radars a Doppler capability. EC's network will be expanded from 16 to 29 radars, by 2003, three of which had Doppler capability in 1996. Doppler radar detects the intensity and location of precipitation, as well as the movement of air inside a storm allowing an early identification of the severity of the storm. The network will allow meteorologists to deliver more timely and accurate forecasts and severe weather warnings to Canadians. Progress has been made in the following major areas: <ul style="list-style-type: none"> development of siting plans and the selection and acquisition of land required for radar installations in 1998 and 1999; assembly of a multidisciplinary project team; competitive bidding and contracting for major system modules (e.g. antenna systems, radomes, towers, signal processors); The building and deployment of two radar systems (planned before the National Radar Plan (NRP) announcement) in Spirit River, AB, and Aldergrove, BC, that serve as forerunners to the planned NRP systems. <p>Lightning detection network:</p> <ul style="list-style-type: none"> EC implementation of the Canadian Lightning Detection Network (CLDN), composed of 81 sensors, is proceeding well. At the end of FY 97/98, more than 70 per cent of the network was completed. Full implementation will occur by the end of July 1998. Lightning annually causes on average 16 deaths and ignites about 20 per cent of forest fires (40 per cent in BC) in Canada. This network will allow early identification of forest fires so appropriate action can be taken. It will also allow meteorologists to infer the severity of the storm and issue early warnings. <p>TV All Channel Alert:</p> <ul style="list-style-type: none"> EC cooperated with the Canadian Cable Television Association (CCTA) and the Canadian Association of Broadcasters (CAB), to influence the Canadian Radio and Television Commission (CRTC) to make favorable changes in the Distribution Regulations, allowing the WeatherAlert initiative to proceed. Under the new regulations, approval is required from the signal providers to superimpose the WeatherAlert "crawler" message over their programming from the cable system head. WeatherAlert "crawler" is a warning that appears at the bottom of your TV screen when a weather warning is issued. EC continued work to select four sites across Canada to run Cable TV "field trials" for a 6 month period over the summer of 1998, and into the early winter. EC's partners in this endeavor include the CCTA, CAB, Industry Canada, and Pelmorex (The Weather Network).

Result 2: Established effective information and tools (cont'd.)	
Deliverables	Performance
<p>Upgrade the Maritime SAR system to Global Maritime Distress and Safety System (GMDSS) standards</p> <p>Improved tools</p>	<ul style="list-style-type: none"> • CCG conducted extensive public consultation in collaboration with the lead agency, Transport Canada, to define Canadian GMDSS Sea Areas; radio equipment carriage requirements and standards; and, published a pamphlet (funded by NIF) explaining the GMDSS. • CCG advanced a major partnership-based approach to the national 1998 Safe Boating Campaign in collaboration with the Canadian Safe Boating Council, with NIF funding. Elements of the campaign included an approach targeted to high-risk boaters, and innovative distribution channels through Canadian Tire, the Canadian Red Cross and other campaign partners. • CCG established a national Steering Committee on Strategies to Increase the Wearing of Personal Flotation Devices. This multi-sector Committee (Health Canada, Transport Canada, the RCMP, the United States Coast Guard, manufacturers, water safety organizations, coroners, and academic behavioral change specialists) will recommend and implement changes needed to current policies, practices and approaches in this area, and advance the research base needed to support the changes. • CCG laid the foundation for increased rigor and sophistication in prevention and outreach efforts through skills training of Office of Boating Safety staff in social marketing and behavioral change principles.
<p>Comprehensive, standardized SAR training program for the RCMP in the NWT</p>	<ul style="list-style-type: none"> • RCMP, in a NIF-sponsored project undertaken by RCMP "G" Division, ensured that a resource pool is able to respond quickly and effectively to each and all SAR incidents, either by conducting or coordinating local searches. <ul style="list-style-type: none"> - training included: Basic Ground SAR, Search Management and Marine SAR; - an exercise involving CASARA, RCMP and local civilians trained in marine SAR; tested the SAR capabilities of all involved; - through this NIF, the RCMP has worked closely with the Government of the NWT and community governments, Departments of Canadian Heritage (Parks Canada), Fisheries and Oceans (Canadian Coast Guard), National Defence and Justice as well as CASARA and the Canadian Coast Guard Auxiliary in identifying needs, determining priorities and implementing programs. - NIF helped train 92 individuals in FY 97/98.
<p>Modernized, focused safety regulations</p>	<ul style="list-style-type: none"> • TC, in consultation with the aviation community, continued to review Canada's aviation regulations, which were rewritten to streamline aviation safety regulation and focus more clearly on controlling aviation risk. This risk management endeavor is aimed at reducing the number of aviation related SAR incidents in Canadian managed airspace. • TC continued to conduct safety inspections and audits of the aviation industry to ensure continuing compliance with regulations. • TC continued to monitor the qualification criteria for marine pilotage certificates and compulsory pilotage areas. • TC examined the possible expansion of delegation of vessel safety inspections to ship classification societies by certain ship owners, subject to appropriate monitoring and control.

Result 3: Established influential national and international partnerships

Deliverables	Performance
<p>Pro-active membership and participation in national and international SAR organizations: including COSPAS-SARSAT; International Committee on Alpine Rescue; International Maritime Organization; International Civil Air Organization</p>	<ul style="list-style-type: none"> Sponsored the sixth annual SARSCENE workshop (600 participants) and tradeshow (43 exhibitors) in Sault Ste. Marie, ON, in partnership with volunteer SAR organizations, other government departments and private industry, that resulted in greater exchange of information and new partnerships. Recovered \$59,000 to offset on-site expenses and donated \$1,900 to Sault SAR volunteers. <div style="display: flex; justify-content: space-around;">   </div> <ul style="list-style-type: none"> Performed an international leadership role in the COSPAS-SARSAT Demonstration and Evaluation (D&E) of 406 MHz Geostationary Systems. Coordinated the team who represented Canada at the International Committee on Alpine Rescue (IKAR) meetings. A Parks Canada representative led the Canadian delegation, that also included representatives from the Canadian Avalanche Association and the British Columbia Provincial Emergency Measures Academy.
<p>Maintain the CCG's leadership role in international activities</p> <p>Implement new growth for the CCGA</p>	<ul style="list-style-type: none"> CCG continued to work within the International Maritime Organization (IMO), participates in a joint working group of IMO and International Civil Aviation Organization (ICAO) SAR experts to harmonize aeronautical and maritime SAR, supports the Department of Foreign Affairs and International Trade by mentoring the Middle East Peace Process through maritime safety and supporting the Association of South East Asian Nations Forum on SAR. CCG advanced several efforts in the spirit of the 1996 Memorandum of Understanding between United States Coast Guard and Canadian Coast Guard Offices of Boating Safety (OBS), including joint meetings of OBS staff, active participation in USCG consultation fora, Canadian representation on US committees and working groups, and assuring USCG representation on recently formed CCG steering committee on long term personal flotation device strategies. CCG, in partnership with the Canadian Coast Guard Auxiliary (CCGA), have defined and incorporated a National Council to guide the activities of the Auxiliary through the existing five regional councils. An enhanced future role is being developed for the Auxiliary. The NIF has approved funding for the equipment component of the enhanced capability initiative for the next two years.

Result 3: Established influential national and international partnerships (cont'd.)	
Deliverables	Performance
Coordinating the involvement of Civil Air Search and Rescue Association (CASARA) volunteers	<ul style="list-style-type: none"> CF worked with the Civil Air Search And Rescue Association (CASARA) to establish CASARA units in areas where incidents that are remote from the locations of CF primary SAR aircraft are likely to occur. A trial was conducted in Iqaluit, NWT, that provided SAR training to commercial operators. Assisted by the NIF, this trial proved highly successful and shortly after the unit became operational, this resource responded to a local SAR incident that potentially saved thousands of dollars in CF aircraft flying time. Another SAR-trained commercial air resource has since been established through the NIF at Cambridge Bay, NWT. The use of commercial resources, combined with the capabilities of CASARA volunteers, will be monitored as a method of providing cost-effective SAR services. TC continued to support CASARA, in conjunction with DND. CASARA purchased a limited number of emergency beacon homers (CF-sponsored NIF-funded project) to ensure members are able to localize signals from the ground instead of using the more expensive aircraft resources. CASARA plans to purchase more of this type of equipment to increase this capability across Canada.
Development and advancement of the Search and Rescue Volunteer Association of Canada	<ul style="list-style-type: none"> In 1996, RCMP sponsored a three-year NIF project to facilitate the organization of Ground Search and Rescue Volunteers at the national level. In 97/98, the Search and Rescue Volunteer Association of Canada (SARVAC) was officially formed and continues to organize itself at the national level. In 97/98 (the second year of the three-year NIF project), the second general assembly meeting of the SARVAC executive, provincial/territorial Emergency Measures Organizations and police agency representatives was held prior to SARSCENE '97.

In the delivery of the above results, SAR departments were faced with the following **challenges**:

It has been difficult to:	<ul style="list-style-type: none"> ➤ Maintain SAR expertise and corporate knowledge while staffs and budgets are being reduced; ➤ Develop one sole efficiency model for SAR; ➤ Develop one standard policy on cost recovery of federal SAR services through consultations and numerous meetings; and ➤ Generate revenue for some products.
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Section IV: Supplementary Information

Figure 4: Details of Personnel Requirements by Departments (FTEs)

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Actual 1997-98
National Search and Rescue Secretariat	19	20	15	15	15
Dept of Canadian Heritage	40	N/A	67	64	64
Environment Canada	14	14	14	14	14
Dept of Fisheries and Oceans	938	837	817	817	
Dept of National Defence	689	715	776	746	750
Transport Canada	7	7	7	7	7
Total	1,707	1,593	1,696	1,663	771

Note: DFO/CCG FTE actuals were unavailable, figures shown are best estimates.

Figure 5: Costs (\$000) for the National Search and Rescue Program

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Actual 1997-98
National Search and Rescue Secretariat	9,206	10,031	12,582	7,996	12,318
Dept of Canadian Heritage	2,249	4,957	4,961	4,786	4,542
Environment Canada	...	1,023	985	985	985
Dept of Fisheries and Oceans	102,057	75,253	69,486	91,413	91,374
Dept of National Defence	99,901	93,370	113,552	110,505	98,631
Transport Canada	875	875	875	870	870
Total	214,288	185,509	202,441	216,555	208,720

Note: DND – Canadian SAR Helicopter project included in FY 1996-97 and FY 1997-98.

National Search and Rescue Secretariat

Figure 6: Costs (\$000) for the National Search and Rescue Secretariat

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Actual 1997-98
Operating	1,785	1,868	1,726	1,726	1,648
Capital	7,200	7,963	10,646	7,895	10,422*
Grants and Contributions	221	200	210	525	248
Total	9,206	10,031	12,582	10,146	12,318

Note: * Includes carry-over for New SAR Initiatives Fund.

Department of Canadian Heritage

Figure 7: Costs (\$000) for the Department of Canadian Heritage

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Actual 1997-98
Operating	1,658	4,238	4,291	3,935	3,782
Capital	591	719	670	851	760
Grants and Contributions	...	...	...	...	...
Total	2,249	4,957	4,961	4,786	4,542

Environment Canada

Figure 8: Costs (\$000) for Environment Canada

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Actual 1997-98
Operating		866	830	830	830
Capital		72	70	70	70
Grants and Contributions		85	85	85	85
Total		1,023	985	985	985

Note: EC provides daily SAR support through its extensive operational weather and ice services program. It is difficult to extract the exact percentage that is provided solely as SAR support; however, when required, such as in a SAR related emergency situations, AES provided dedicated priority support. Actual expenditures made for the Safety from Environmental Hazards business line is as follows: 1,406 FTEs, \$165 K O&M, \$11.3 K Capital, \$3 K Grants and Contributions.

Department of Fisheries and Oceans

Figure 9: Costs (\$000) for the Department of Fisheries and Oceans

	Actual 1994-95	Actual 1995-96	Actual 1996-97	Total Planned 1997-98	Actual 1997-98
Operating	93,545	67,478	52,698	87,483	82,202
Capital	6,980	6,196	15,085	1,242	6,523
Grants and Contributions	1,532	1,579	1,703	2,688	2,649
Total	102,057	75,253	69,486	91,413	91,374

Note: Operating figures for 1995-96 onward do not include Fleet Management Business Line.

Department of National Defence

Figure 10: Costs (\$000) for the Department of National Defence

	Actual	Actual	Actual	Total Planned	Actual
	1994-95	1995-96	1996-97	1997-98	1997-98
Operating	98,712	87,210	98,275	96,974	88,674
Capital	394	5,252	14,266	12,434	8,860
Grants and Contributions	795	908	1,011	1,097	1,097
Total	99,901	93,370	113,552	110,505	98,631

Note: 1. The PYs and amounts shown are exclusive of NSS and New SAR Initiatives Funds.
 2. Capital figures include the Search and Rescue Satellite Project for all years and the Canadian Search and Rescue Helicopter Project for FYs 1996-97 and 1997-98 only.

Transport Canada

Figure 11: Costs (\$000) for Transport Canada

	Actual	Actual	Actual	Total Planned	Actual
	1994-95	1995-96	1996-97	1997-98	1997-98
Operating	875	875	875	870	870
Capital	...	...	...	...	...
Grants and Contributions	...	...	...	...	...
Total	875	875	875	870	870

EMERGENCY PREPAREDNESS CANADA

Emergency Preparedness Canada (EPC) is a civilian organization which supports the Minister in carrying out his mandate to "advance civil preparedness in Canada for emergencies of all types ... by facilitating and coordinating, among government institutions and in cooperation with provincial governments, foreign governments and international organizations, the development and implementation of civil emergency plans." EPC derives its mandate from the *Emergency Preparedness Act*, the *Emergencies Act*, *A Federal Policy for Emergencies* and various Memoranda of Understanding with the provinces and territories and other countries.

The mission of EPC is to safeguard lives and reduce damage to property by fostering better preparedness for emergencies in Canada.

Operating as a Branch of DND, EPC supports the "Emergency Preparedness, Humanitarian Assistance and Disaster Relief" objective of DND's "Defence of Canada" business line by fostering better preparedness for emergencies through the delivery of services in the following areas: plans coordination, testing and evaluation; training and education; risk assessment and monitoring/warning/reporting of emergencies and, if necessary, coordination of the federal response to emergencies; public awareness and information; international civil emergency preparedness; and financial assistance through Grants and Contributions. The ultimate result of EPC's activities is a state of emergency preparedness in Canada that will address, in part, Canadians' expectations with respect to their safety and security.

To enhance its ability to meet its legislated responsibilities and achieve the desired result in an environment of severe fiscal restraint, EPC has commenced a review of the federal mandate for emergency preparedness, particularly as it relates to mitigation, while continuing to strengthen its leadership role, improve program delivery, increase professionalism in emergency management, and enhance client awareness of the role of emergency preparedness. To further these long-term objectives, EPC has pursued cost-sharing partnering alliances with other government departments, non-governmental organizations, private enterprise and universities. Other strategies to advance the long-term objectives have included an agreement with *Emergency Preparedness Partners*, a not-for-profit corporation, to manage and expand EPC's SAFE GUARD initiative; implementation of the National Public Affairs Strategy and the Federal-Provincial-Territorial Training Strategy; and an increased reliance on informatics technology to deliver services.

Although EPC has a mandate to stimulate, encourage and coordinate emergency planning by other federal departments/agencies and at other levels of government, organizations other than EPC are ultimately responsible for completed plans and emergency response operations. Consequently, in the performance report which follows, measures of EPC's performance necessarily focus on the range and extent of its interactions, its development of various tools, exercises and training packages to assist the various stakeholders in the development of emergency plans in Canada and abroad, and feedback from the stakeholders.

Highlights of EPC's recent performance, by service line, are outlined below:

Plans Coordination, Testing and Evaluation: EPC maintains a regional office in the capital city of each province to serve as the focal point of contact and coordination of activities between the federal government and the emergency measures organizations of the provinces/territories. In 1997-98, these offices successfully coordinated federal assistance in their respective regions during emergencies and enhanced the state of emergency preparedness in Canada by facilitating the coordination of financial aid programs and various other federal/provincial/territorial initiatives, and maintaining contact with other stakeholders such as non-governmental organizations, volunteer agencies, the private sector, and American officials in bordering US states.

In particular, EPC's regional officials in Manitoba and Saskatchewan were instrumental in coordinating the federal response to the massive flooding along the Red River in the spring of 1997, while EPC's officials in Ontario, Quebec and New Brunswick, with assistance from officials in Alberta, Nova Scotia and Prince Edward Island, greatly contributed to the coordination of the federal response to the January 1998 ice storm in eastern Canada. During the height of the flooding, federal support to Manitoba involved virtually every federal department and agency in the province and was coordinated through the Federal Emergency Preparedness Co-ordinating Committee, chaired by EPC's Regional Director, Manitoba. Officials in Manitoba also maintained contact with US officials at the Federal Emergency Management Agency (FEMA) Disaster Field Office in Bismark, North Dakota, throughout the emergency, and, in the aftermath of the disaster, met with officials at FEMA's Emergency Operating Center in Grand Forks, North Dakota to discuss flood response/support activities. With respect to the ice storm, regional officials provided a continuous federal presence in the provincial operations centres during the response phase to receive and staff provincial requests for assistance; apprise federal officials of developments; and assist other federal departments and agencies in providing support to provincial authorities.

In fiscal 1997-98, planning coordination was also facilitated through the annual meeting of senior federal-provincial-territorial officials responsible for emergency preparedness. Results of the February, 1998 meeting included agreement to conduct national workshops on donations management, and consequence management of terrorist incidents; support for the development of a national mitigation policy and accompanying strategy; agreement to place the question of a national heavy urban search and rescue capability before Ministers Responsible for Emergency Preparedness; and support for the development of appropriate contingency plans to prepare for the Year 2000 phenomenon. Meetings of this group, and of other groups such as the senior federal interdepartmental committee known as the Emergency Preparedness Advisory Committee (EPAC), have advanced emergency preparedness in Canada by providing high-level fora for discussion of policy, planning and operational matters of mutual concern.

In addition to advancements on the policy issues outlined above, EPC completed work on the National Support Planning Framework, a generic approach to managing the federal effort in any major emergency. It was utilized during the 1998 ice storm emergency to coordinate the national-level federal support effort. Work also continued on the development of the CANATEX 3 exercise to test, in April 1999, the Federal Nuclear Emergency Plan (FNEP) and its interfaces with the plans of Ontario, the United States and the International Energy Agency. An award-winning Events Log software system was developed by EPC for use in planning its exercise events, and the system has since been used by other federal and provincial government departments, as well as some non-governmental organizations. In conjunction with the United Nations Educational, Scientific and Cultural Organization (UNESCO), EPC also initiated a program to develop pilot emergency plans for World Heritage cities and towns using Lunenburg and Quebec City as models.

Training and Education: Under the Federal-Provincial-Territorial Training Strategy, which received Ministerial approval in September, 1993 and is being phased in over a five-year period ending 31 March 1999, the provinces/territories have been progressively assuming more responsibility for basic and entry-level courses. In exchange, EPC's Canadian Emergency Preparedness College (CEPC) has been delivering more advanced and specialist-level training such as courses in Emergency Operations Centre Management, Emergency Site Management, and Exercise Design, as well as developing new training courses such as Disaster Recovery Management and Airport Emergency Planning. In addition, the CEPC has been involved in the development of off-site "distance learning" programs which utilize computer-based training, audiographic delivery, and the Internet to convey information to students. These initiatives are fostering better preparedness for emergencies by providing better training and improved access to training. At the start of the strategy approximately 4,000 students were receiving some form of training each year. By the end of fiscal 1997-98, this number had escalated to over 18,000 students. Implementation of the Strategy has expanded emergency preparedness and response training at no extra cost to the federal government, thereby improving program delivery and increasing professionalism in emergency management.

In addition to the delivery of EPC-sponsored courses, and assistance to the provinces and territories in the design and conduct of basic and entry-level courses, the College fostered preparedness for emergencies by hosting and/or sponsoring three special seminars/ workshops for other federal departments and agencies in 1997-98. Instructional staff from the College also assisted Indian and Northern Affairs Canada in the design and delivery of eight Basic Emergency Preparedness courses for First Nations in Quebec.

EPC's regional offices were also involved in emergency preparedness training and education programs. For example, in 1997-98, regional staff in British Columbia conducted 20 earthquake preparedness briefings and contributed to a CBC television special on the earthquake threat in that province; in Saskatchewan, briefings were given at eight training courses/seminars/workshops for

approximately 250 candidates; in New Brunswick, briefings were given at four Basic Emergency Preparedness courses sponsored by the province, and at various Business Resumption Planning sessions for federal officials in that region; in Nova Scotia and Prince Edward Island, regional staff provided a total of 29 briefings at numerous training events for federal, provincial and municipal employees. The briefings, workshops, and seminars conducted across Canada were an important means of raising the level of awareness of, and need for, emergency preparedness and response planning.

Risk Assessment and Monitoring/Warning/Reporting of Emergencies and Coordinating the Federal Response: Throughout the reporting period, the ability to receive and correctly interpret indicators of impending civil emergencies has been key to an effective and timely response by the federal government. This capability was maintained by EPC's Government Emergency Operations Coordination Centre (GEOCC) which provided ongoing monitoring, analyses and reporting of all events which impacted on the lives of Canadians. In 1997-98, the GEOCC played a significant role in the provision of timely federal support to the citizens of Manitoba during the flooding of the Red River Valley and to the citizens of Ontario, Quebec and New Brunswick during and after the ice storm. The GEOCC also continued to develop its role as the core of the National Support Centre (NSC) which is activated in times of emergency to provide operations-oriented communications and facilities through which senior federal officials can coordinate support, analyse situations and respond to changing emergency conditions. When necessary, officials from any federal department or agency can assemble and provide a coordinated federal response to an emergency from the NSC.

With respect to Risk Assessment, a number of projects were undertaken over the reporting period to advance knowledge/technology, thereby resulting in better preparedness for emergencies. For example, work progressed in the third year of a four-year project to develop the Natural Hazards Electronic Map and Assessment Tools Information System (NHEMATIS) which is comprised of an electronic natural hazards map and a series of risk assessment/search and query tools for distribution to EP professionals, and is expected to be commercialized by the end of 1998-99. Under the leadership of EPC, work also continued on the tri-lateral, digitally-based, electronic North American (Canada/United States/Mexico) Natural Hazards and Disaster Map. In October, 1997, an agreement was reached with the National Geographic Society to publish this map in the July, 1998 English and Spanish editions of the *National Geographic* magazine, along with an article on hazards, thereby enhancing EP awareness in the three NAFTA countries.

The EPC Canadian Disaster Database was completed in-house in FY 1997-98 and made available to the public on EPC's Web Site. The electronic database was complemented by a hardcopy report which provides a statistical analysis of frequency, distribution and costs of disasters. In addition, with the assistance of Simon Fraser University, EPC continued to enhance its presence on the Emergency Preparedness Information Exchange (EPIX) by supporting research

into the development of virtual emergency management information systems (based on the use of terrestrial and satellite Internet-based technologies).

EPC, along with the Insurance Bureau of Canada, sponsored the "Symposium on Mitigation: Towards a Canadian Policy", held in Vancouver in November, 1997, to further the development of a Canadian national policy for mitigation. In addition, EPC carried out a series of timely, policy-oriented, short-term research projects to enhance EP risk assessment/plans/response capabilities, including: "Flood Damage Reduction in Canada", a project using case studies in guiding research directives and providing rapid assessment of the flood damage reduction program in Canada; "Emergency Preparedness and First Nation Communities", a project scoping the issues related to emergency preparedness and response within First Nation Communities; and "Business Continuity Planning: An Assessment of Commercial Initiatives In Loss Reduction Programs", a formal assessment of current levels of business continuity capability in Canada.

Public Awareness and Information: EPC also fosters better preparedness for emergencies by enhancing client awareness of the role of emergency preparedness. In fiscal 1997-98, EPC provided communications/media relations coordination and support to the Minister's office and the Privy Council Office during the spring 1997 flood crisis in Manitoba and the January 1998 ice storm in eastern Canada. Key activities included the preparation and distribution of a daily fact sheet/news release on federal government support to the affected provinces. EPC's Communications staff assisted in the coordination of inter-departmental communications and news briefings in Winnipeg during the Red River flood emergency and in Montreal during the ice storm. Media relations and related communications activities on federal government disaster assistance programs in the aftermath of these disasters dominated EPC's communications activities for most of the reporting period.

Under the auspices of the federal and provincial and territorial governments, a joint education campaign known as Emergency Preparedness Week is held annually to further sensitize the public and heighten their awareness of the need to plan and prepare for emergencies/disasters. In May 1997, EP Week activities included the recognition of EP Week in the House of Commons, and the launch of a national drawing contest for students in grades 4 to 6. Both events actively raised the profile of the emergency preparedness message in Canada.

In August 1997, EPC entered into a three-year Contribution Agreement with *Emergency Preparedness Partners*, a new not-for-profit corporation, to operate as the focal point in Canada for realizing the objectives and goals of the SAFE GUARD initiative. (SAFE GUARD is a partnering-based initiative launched by EPC in 1995 to foster communications and public awareness activities through joint projects with other federal/provincial/ territorial government departments, major non-governmental organizations such as the Canadian Red Cross and St. John Ambulance, and a wide spectrum of private sector companies and organizations.) The new arrangement has enabled the SAFE GUARD program to be delivered at a lower cost, thereby enabling scarce resources to be re-allocated

to other important areas of the EP program. (See the "Grants and Contributions" section of this Annex for additional information.)

Over the reporting period, EPC was also instrumental in the development of a process which will lead, in FY 1998-99, to the creation of a Canadian Emergency Preparedness Association (CEPA). This association will provide a new national forum for the discussion and dissemination of information; the promotion of better knowledge, understanding and cooperation in emergency preparedness in Canada; and the development of national standards and a nationally-consistent certification process of emergency preparedness practitioners.

International Civil Emergency Preparedness: International liaison, particularly with the United States, is also essential to advance the state of preparedness for emergencies in Canada. Canada/US cooperation is conducted under the umbrella of an agreement, signed by EPC and the Federal Emergency Management Agency (FEMA) in 1986, to reduce impediments to cooperation between the two countries. Under this umbrella, there is an active bilateral program addressing a wide range of emergency preparedness issues at the national and regional levels. In 1997-98, the annual meeting of the CA/US Consultative Group, co-chaired by the heads of EPC and FEMA, agreed to exchange liaison officers during major cross-border emergencies and exercises. Emergencies such as the 1998 ice storm highlight the need for, and benefits of, international liaison. During the ice storm, considerable cross border activity was facilitated by the work of various bilateral sectoral committees. For example, emergency material and personnel passed unimpeded in both directions; waivers on the movement of heavy transport on some state roads during weekends were lifted to permit the transport of telephone poles; assistance was provided by the General Services Administration in the contracting of generators from throughout the United States; and contacts with the US military facilitated the provision of US military cots.

EPC also continued to provide the Canadian delegate to the Senior Civil Emergency Planning Committee (SCEPC) which is the senior NATO Committee reporting directly to the Council on emergency planning matters. Subordinate to the SCEPC are nine functional Planning Boards and Committees (PB&Cs), including the Civil Protection Committee which is chaired by Canada (EPC). Largely due to Canadian initiatives, dialogue with the newly-emerging democracies of Central and Eastern Europe (CEE) on civil emergency issues has been included in the Work Plan of the North Atlantic Cooperation Council (NACC) and in the Partnership for Peace (PfP) program.

Grants and Contributions: EPC currently administers five Contribution programs and one Grant program to encourage emergency preparedness and response activities, assist in the recovery from emergencies/disasters and enhance federal communications and influence in the sphere of emergency preparedness and response.

Through the cost-shared *Joint Emergency Preparedness Program* (JEPP), the federal government, in consultation and cooperation with provincial and territorial

governments, contributes to projects which enhance the national emergency response capability. The federal contribution is negotiated in each case and the amount of funding provided depends upon the nature of the project, other projects under consideration and the amount of funds available. The federal contribution will exceed \$4.3 million for 1997-98.

Payments made under the *Disaster Financial Assistance Arrangements* (DFAA) assist the provincial and territorial governments in cases where the cost of dealing with a disaster would be greater than they could reasonably be expected to bear. At the request of the province/territory and in accordance with a formula based on population, federal payments are made to help restore public works to their pre-disaster condition and to facilitate the restoration of basic, essential, personal property of private citizens, farmsteads and small businesses.

In 1997-98, DFAA payments in excess of \$144 million were made as follows: Quebec and Ontario received advance payments of \$50,000,000 and \$25,000,000 respectively for damages caused by the 1998 ice storm; Manitoba received two advance payments totalling \$55,000,000 for damages caused by the 1997 flood of the Red River, as well as an advance payment of \$2,000,000 for damage caused by a 1996 flood of the Red River; New Brunswick received \$744,488 as a final payment for a 1994 flood that caused damage along the Miramichi and Saint John River systems; Alberta received advance payments of \$3,500,000 for damages incurred as a result of severe flooding in the Lesser Slave Lake area and \$3,300,000 for damages caused by a 1997 flood in the north central region of the province; British Columbia received an advance payment of \$5,000,000 as a result of damages caused by the severe spring run-off in the southern region of the province in 1997; and the Yukon received a final payment of \$147,321 for a 1992 flood in the Upper Laird River Basin.

Under the *Workers' Compensation for Volunteers who are Injured or Killed while Carrying Out Emergency Services Work* program, the federal government has entered into bilateral agreements with most provinces and territories, whereby the federal government reimburses the province/territory for 75% of the costs of compensation awards to registered volunteer emergency site workers who are injured or killed in the course of emergency service training or work. Compensation awards totalled \$121,044 in 1997-98.

In conjunction with several other departments, EPC has also contributed to the Royal Society of Canada to subsidize their work with the Canadian National Committee with respect to Canada's support for the United Nation's International Decade for Natural Disaster Reduction. The Contribution Agreement associated with this initiative has been extended to 31 March 2000, ensuring that the total federal contribution remains at \$45,000 annually until the end of the decade.

In accordance with the provisions of a Contribution Agreement signed in FY 1997-98, EPC will contribute funds over a three-year period to *Emergency Preparedness Partners*, a new not-for-profit corporation, to operate as the focal point in Canada for realizing the objectives and goals of the SAFE GUARD

initiative. (See the "Public Awareness and Information" section of this Annex for additional information.) The funding was set at \$170K for FY 1997-98, and will be \$150K for FY 1998-99 and \$100K for FY 1999-2000. Effective FY 2000-01, the corporation is expected to be self-supporting. Since EPC had previously been spending \$300K annually on the SAFE GUARD initiative, this program has enabled EPC to reallocate scarce resources to other important areas of the EP program.

EPC's one Grant program is the *Stuart Nesbitt White Fellowship* which is designed to encourage disaster research and emergency planning in Canada and to develop a number of professionals in the field. Funding for this program is set at \$54,000 annually. In 1997, one new fellowship was awarded, and funding was extended for another year on three fellowships awarded in previous years.

Perhaps the best measure of the state of emergency preparedness in Canada is what happens when major emergencies occur. In the wake of disasters such as the 1997 flooding of Manitoba's Red River Valley, or the 1998 ice storm in eastern Canada, coordinated responses involving municipal, regional, provincial, and federal authorities, along with non-governmental organizations and volunteers, were successfully launched. While it would be difficult to attribute the success of these operations to any single factor, they do provide an indication of EPC's success in fulfilling its mission to safeguard lives and reduce damage to property by fostering better preparedness for emergencies.

Summary of Financial and Personnel Resources Utilized in the Delivery of the Emergency Preparedness Program in 1995-96, 1996-97 and 1997-98

Figure 1: EPC's Financial Requirements for 1995-96

(thousands of dollars)	Estimates 1995-96	Actual 1995-96	Change
Emergency Preparedness Canada:			
Operating and Minor Capital	10,302	9,842	(460)
Transfer Payments	5,709	56,084	50,375
Total	16,011	65,926	49,915
Human Resources (FTE)	93	89	(4)

Explanation of Change for 1995-96 (thousands of dollars):

· DFAA funded from Supplementary Estimates	50,409
· 5% Operating Budget Carry-Forward from FY 1994-95 to FY 1995-96	570
· FY 1995-96 Lapsing Funds	(1,064)

Figure 2: EPC's Financial Requirements for 1996-97

(thousands of dollars)	Estimates 1996-97	Actual 1996-97	Change
Emergency Preparedness Canada:			
Operating and Minor Capital	9,919	9,960	41
Transfer Payments	4,905	149,069	144,164
Total*	14,824	159,029	144,205
Human Resources (FTE)	89	83	(6)

* The 1996-97 Estimates are \$1,187K less than 1995-96 Estimates due primarily to reductions announced in the 1993 Federal Budget, Program Review 1 and 1994 Defence White Paper/NDHQ Staff Reductions.

Explanation of Change for 1996-97 (thousands of dollars):

· DFAA funded from Supplementary Estimates	144,164
· Salary Increments Reinstated June 1996	22
· 5% Operating Budget Carry-Forward from FY 1995-96 to FY 1996-97	515
· O&M in-year funding adjustments from within DND	(496)

Figure 3: EPC's Financial Requirements for 1997-98

(thousands of dollars)	Estimates 1997-98	Actual 1997-98	Change
Emergency Preparedness Canada:			
Operating and Minor Capital	9,129	9,980	851
Transfer Payments	4,600	149,299	144,699
Total*	13,729	159,279	145,550
Human Resources (FTE)	83	79	(4)

* The 1997-98 Estimates are \$1,095K less than 1996-97 Estimates due primarily to reductions announced in the 1993 Federal Budget, Program Review 1 and 1994 Defence White Paper/NDHQ Staff Reductions.

Explanation of Change for 1997-98 (thousands of dollars):

· Disaster Financial Assistance Arrangements (DFAA) funded from Supplementary Estimates	144,692
· Ex Gratia payment to Province of Manitoba (Operating)	1,250
· Contribution to <i>Emergency Preparedness Partners</i> in fiscal 97-98 was \$170K with funding sources as follows:	
· Transfer from EPC's Operating Budget	(87)
· Transfer to EPC's Grants and Contributions Budget	87
· Transfer to EPC's Grants and Contributions Budget from DND Vote 10	83
· FY 1997-98 Lapsing Grants and Contributions Funds	(163)
· Salary Reduction to EPC's Operating Budget due to the 1994 Defence White Paper/NDHQ Staff Reductions	(243)
· Increased Funding for Salary Increments to EPC's Operating Budget	52
· Transfer to DND from EPC's Operating Budget	(42)
· FY 1997-98 Lapsing Operating Funds	(79)

To date, partnering alliances and an increased reliance on technology have enabled EPC to continue to deliver its program within an environment of shrinking resources. However, any further reductions to EPC's funding levels, as well as reductions to the budgets of other emergency preparedness

organizations, will adversely impact on future performance and hamper EPC's progress in meeting its objectives. Given the long lead times inherent in much of EPC's work and its significant inter-relationship with the provincial and territorial governments, a long planning envelope is required to achieve progress in its endeavours to assure the safety and security of Canadians in times of emergency or disaster. To date, benefits derived through partnering alliances and an increased reliance on technology have enabled Emergency Preparedness Canada to continue to deliver its program within an environment of shrinking resources.



COMMUNICATIONS SECURITY ESTABLISHMENT AND THE NATIONAL CRYPTOLOGIC PROGRAM

Agency Overview and Mandate

The Communications Security Establishment 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 Communications Security Establishment forms part of the intelligence and security infrastructure supporting the Government of Canada. In this capacity, the Communications Security Establishment 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 and trade. The Communications Security Establishment receives assistance in the conduct of signals intelligence activities from the Canadian Forces Supplementary Radio System 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 Communications Security Establishment 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 Communications Security Establishment's activities. The Minister approves capital spending for the Communications Security Establishment and major spending recommendations made to Treasury Board. The Minister also approves the Communications Security Establishment's key policy initiatives and is responsible for Communications Security Establishment issues in Cabinet.

Two Deputy Ministers, the Security and Intelligence Coordinator in the Privy Council Office and the Deputy Minister of National Defence are responsible for ensuring that the Minister is fully informed of the Communications Security Establishment's activities. The Security and Intelligence Coordinator is accountable for the Communications Security Establishment's policy and operations, and the Deputy Minister of National Defence is accountable for administrative matters affecting the Communications Security Establishment.

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

RESOURCES AND FINANCIAL TABLES

The following table outlines the Communications Security Establishment's resource profile:

(thousands of \$)	Actual FY 95/96	FTE 95/96	Actual FY 96/97	FTE 96/97	Actual FY 97/98	FTE 97-98
Salary and Personnel	60,533	911	57,680	870	57,680	892
Operations and Maintenance	23,230		20,637		19,237	
Total Operating Requirement	83,763		78,317		76,917	
Capital	40,089		38,832		38,832	
Total Requirement	123,852	911	117,149	870	115,749	892