



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

44th PARLIAMENT, 1st SESSION

---

# Standing Committee on National Defence

EVIDENCE

**NUMBER 126**

Thursday, November 21, 2024

---

Chair: The Honourable John McKay





## Standing Committee on National Defence

Thursday, November 21, 2024

• (0820)

[English]

**The Chair (Hon. John McKay (Scarborough—Guildwood, Lib.)):** Good morning, everyone. We are a few minutes late.

Thank you to the minister for rearranging his schedule to be here as soon as possible.

I see quorum, and I'm looking forward to what the minister has to say for the next five minutes.

Minister, the floor is yours.

**Hon. Bill Blair (Minister of National Defence):** Thank you very much, Mr. Chair.

I'd like to thank all the members of the committee for giving us an opportunity to come before you today to discuss the proposed funding for the Department of National Defence, the Canadian Armed Forces and the Communications Security Establishment through the supplementary estimates (B).

These estimates come at an extremely important time for the defence and security of Canada and Canadians. Through these estimates, we will be requesting \$3.3 billion, which will help fund a number of commitments that we announced during our renewed defence policy, along with other critical operational requirements.

Likewise, there is \$58.9 million being requested for Communications Security Establishment Canada, which will help to ensure that its members can continue to carry out their vital mission of safeguarding Canadians in the cyber domain. This investment is going to enhance CSE's ability to protect Canada's economic security, defend democratic processes and advance Canada's international affairs and defence and security interests.

I'd like to take a few moments, if I may, Mr. Chair, to highlight some of the key projects that we're proposing to fund through these estimates today.

First of all, it's important to note that over half of the funding requested for national defence and our military falls under capital spending. This reflects the need to invest in new equipment and programs in light of the challenging defence and security environment that we find ourselves in.

Of this funding, \$659 million is being allocated to the future aircrew training program for incoming pilots, air combat system officers and airborne electronic sensor operations. This training will bolster our ability to train a sufficient number of qualified aircrews

to meet our operational requirements and to ensure that the RCAF maintains a multi-purpose and combat-capable air force.

We are also requesting \$561 million toward the Canadian multi-mission aircraft project, with which this committee will be well familiar, so that we can remain on track to replace our fleet of CP-140 Aurora aircraft with 16 new-generation P-8A Poseidon aircraft.

For the Royal Canadian Navy, we're requesting \$310 million in capital funding as well as \$5.4 million in operational funding to help deliver on two future joint support ships. Once these ships are complete and deployed in operations, they are going to provide deployed ships with fuel, spare parts, food, water and other much-needed supplies. In the meantime, we also have to maintain these capabilities through the interim auxiliary oiler replenishment vessel project, for which we're also proposing \$15.3 million in funding through these estimates in a contract with Davie shipyard.

As we announced in budget 2024 and reaffirmed in "Our North, Strong and Free", we're also allocating a total of \$299 million toward sustaining our existing fleet of Halifax-class frigates while we build our future 15 River-class destroyers. Failing to maintain these vessels can significantly undermine our ability to meet our commitments in the Indo-Pacific and to NATO.

With some additional investments, we also remain committed to providing military assistance to Ukraine until they are victorious. In these estimates, we're allocating \$763.5 million. This is going to be for the munitions, training and the tools that Ukraine needs to defend itself against Russia's illegal invasion.

We're also requesting \$202 million toward the national procurement plan that will ensure the readiness of about 100 of our existing CAF fleets. I know this is a subject that has also been studied by...and you've heard testimony at this committee about the underinvestment and mismanagement of our existing fleets. We put forward \$202 million in order to ensure the operational effectiveness of our existing fleet.

We're also allocating \$209.2 million toward science and technology research associated with the NORAD modernization plan.

There are a number of other initiatives to provide modern equipment and improve support services for members of our military, as well as transfers to and from other departments and agencies.

Across the globe, as this committee is well aware, our adversaries are determined to undermine our values, our sovereignty and our democratic institutions to suit their own aims. This funding that is being requested through these estimates is critical to protecting Canadians and supporting our allies and partners against threats like these now and well into the future.

I believe we need to move quickly to ensure that our people in uniform have exactly what they need to keep us safe. I want to urge all members of this committee to unanimously support this desperately required funding in the upcoming estimates.

Thank you. I'm pleased to take whatever questions the committee may have.

• (0825)

**The Chair:** Thank you, Minister.

Colleagues, we started a little late, but my intention is to have a full hour with the minister, which will be two full rounds. That will probably bleed into the second hour and that's where we'll lose a bit of time.

With that, we'll go to Mr. Bezan for six minutes.

**Mr. James Bezan (Selkirk—Interlake—Eastman, CPC):** Thank you, Mr. Chair. I welcome the minister and officials from DND and CAF here. Welcome.

Minister, as you know, in your defence policy update you guys did estimates on where you're going to end up by 2032 on the 2% NATO commitment. Then that changed when you and the Prime Minister were down in Washington at the NATO summit. The PBO said that the numbers that were in the DPU were in error and that it's going to take an extra \$41 billion to get to the 2% commitment by 2032.

Why were the numbers fudged in the DPU and didn't even line up with the GDP projections that are used by the Department of Finance?

**Hon. Bill Blair:** Unfortunately, Mr. Bezan, your question indicates that you're somewhat confused by the sequence of events, so may I clarify that for you.

On April 8, we released the defence policy update. The defence policy update articulated a plan to bring Canada's defence spending to 1.76% by 2030. It was followed up by the spring budget that also took place in the spring, obviously, of 2024, which added significant new additional spending, which was approximately \$8.1 billion over the next five years and \$73 billion over the next 20 years. That did not articulate a plan to bring us to 2%, but only to 1.76% in the next five years.

We then sharpened our pencils, and we also explained in the on-set that we were going to do additional work because there was much more that needed to be done.

**Mr. James Bezan:** You're not explaining how your numbers and projections are different from what the PBO said—

**Hon. Bill Blair:** Thank you for that. I was trying to just clarify.

**Mr. James Bezan:** —and the GDP projections by the Department of Finance, by your colleague, Hon. Chrystia Freeland.

**Hon. Bill Blair:** I was trying to clarify for you the sequence of events.

**Mr. James Bezan:** He's not answering the question.

**The Chair:** Excuse me, both of you. We're getting into it a little earlier. Roughly, your question was a minute. I should give the minute back to the minister to respond, and then we'll go from there.

You have about 15 seconds left.

**Hon. Bill Blair:** Just to clarify, first of all, I've always valued the work of the Parliamentary Budget Officer. He provides very valuable advice and assistance to Parliament, and we take his reports very seriously. However, I would just say, as a point of clarification, Canada has made a commitment to reach 2% of spending of our GDP, and it's a NATO commitment; it's a NATO standard. NATO uses a different calculation for each nation, all 32 members' GDP. They use the OECD calculation, and we have based our commitment on the NATO standard, not on the numbers that the Parliamentary Budget Officer uses.

I'm not arguing with the Parliamentary Budget Officer. As a matter of fact, I appreciate his ambition.

**The Chair:** Okay. We're stretching it here.

**Mr. James Bezan:** I just say that the Parliamentary Budget Officer's numbers are based upon actual projections.

Let's drill down on this budget, because this budget and these estimates actually show defence spending getting cut. You announced, in one of your first announcements when you were named defence minister, that \$2.7 billion would be cut from the budget. We know that has impacted training and the readiness of our forces. We had your former colleague, General Leslie, here, and he was talking about how our NATO brigade is no longer training as a unit and getting certified in combined arms training at Wainwright. He says they're going to have to learn on the job, using other people's equipment and the expertise in the country, and he says that is not safe.

Minister, why are we making our troops less safe, less capable and less ready by not fully making use of our facilities here in Canada, like CFB Wainwright?

**Hon. Bill Blair:** General Leslie is a former colleague and a good friend of mine. I've been to his home a number of times for dinner, but I respectfully disagree. I would just point out to General Leslie, who served exceptionally well and admirably in the Canadian Armed Forces for many years, that he's been out for a while. I think that might be a question.

The decision was an operational decision to do the training that you've referenced in theatre in Latvia, where we're working in a coalition environment with 11 other nations. The decision was made that, in order to really maximize the benefit of that training, we should do it in that environment and that's where it's taking place. It was an operational decision, which might suggest that in the second hour you could reference that question to the vice-chief.

• (0830)

**Mr. James Bezan:** I will, so let's move on then. One of the aspirations of Canada, of course, is to join AUKUS. We're receiving, also, the F-35s and the P-8s. That requires that we have a top secret cloud to be able to be interoperable with our allies.

Where are we at on getting that contract to ensure that we have a top secret cloud that's interoperable with Canada, the U.S., U.K. and other allies?

**Hon. Bill Blair:** I don't want to get too far ahead of our discussions with AUKUS, but Canada is making some exceptional progress. We are at the table discussing—

**Mr. James Bezan:** Are we talking about—

**Hon. Bill Blair:** —Canada's robust participation in the second pillar of AUKUS. There is ongoing work, and again, I would turn that question and perhaps suggest—

**Mr. James Bezan:** I'll get back in the second hour. If you don't know, we'll just keep on moving on.

**Hon. Bill Blair:** No, it's not that I don't know. It's just that there are elements of those contractual discussions that I don't think would be appropriate for me to discuss—

**Mr. James Bezan:** Okay, so—

**Hon. Bill Blair:** —and perhaps the chief would have a much better understanding of that.

**Mr. James Bezan:** We'll deal with that in the second hour.

We also know that because of the budget cuts there was... You've already said that this was in consulting, but my understanding is that there also have been cuts to satellite telecommunications services as well as the ISR that we have been relying on in the past, and that has also been taken away in excess of \$200 million.

Is that a direct result of the \$2.7 billion in cuts you're making to National Defence?

**Hon. Bill Blair:** Thanks for the opportunity to clarify that.

We are reducing our spending—as every department in the government should—on executive travel and on professional services, but we made it very clear, and I actually directed it to the Canadian Armed Forces and the Department of National Defence, that what we are not going to do is impact our operational readiness or the services and support we supply to members of the Canadian Armed Forces.

People are the foundation of the Canadian Armed Forces, and we're making a number of really significant investments in our people, including in housing, child care and health care. We're increasing hiring. We're accelerating our response to personal crises, and we're doing all of the things that our people have told us are necessary to make it easier for them to serve. We're going to continue to attract, retain and train the next generation of our forces, and I have some good news to share with this committee—

**The Chair:** I'm not really fond of run-on sentences, so if we could, we'll move on to the next six minutes with Madame Lapointe.

**Ms. Viviane Lapointe (Sudbury, Lib.):** Thank you.

Welcome, Minister Blair.

You're here today to speak about supplementary estimates (B) while the House of Commons is in a near deadlock. Can you set the scene for us? What is the risk if this money doesn't go through?

How do these estimates matter to the Canadian Armed Forces and to our operational readiness?

**Hon. Bill Blair:** Thank you very much. That is the essential question. It's precisely why I asked for the opportunity to come before this committee.

My understanding, in my conversations with the deputy minister—who's here with me today—with the CDS and the vice and all of their teams, and with the Communications Security Establishment, is that the funding that is requested in these estimates, that will be authorized through these estimates, is essentially required for us to continue to move forward.

There is a strong sense of urgency among all of our departments and all of our officials. Canada needs to do more, and Canada needs to do it quicker. We need to accelerate. Our capability requirements... We need to move quicker. The delay in getting access to this funding could have a significant operational impact on the progress that our team is making. That's why I ask for your support.

I'm also quite concerned because the request for funding for Ukraine—\$763 million—is vote 10b under the supplementary estimates (B). If that money is not approved in a timely way, that money will lapse by the end of the fiscal year. Ukraine needs it desperately.

I wanted to come before this committee and make sure that you are all aware that there is an urgency in the approval of these estimates.

**Ms. Viviane Lapointe:** Thank you, Minister.

There is over \$202 million in funding to maintain the operational readiness of approximately 100 existing Canadian Armed Forces fleets, including aircraft, ships, tanks and other military equipment.

What is the importance of this funding for the safety and the security of military personnel and for Canadians at large?

**Hon. Bill Blair:** I'm aware that this committee has heard testimony from a number of our senior officials, including the former CDS, about the operational readiness of many of our fleets. He has provided you with the information and insight that many of our vehicles—for example, our tanks, our artillery—are in an unsatisfactory state of repair. We recognize that. We heard that request very clearly.

That's why in ONSAF and in the 2024 budget we asked for the money that is required to maintain those fleets. We have to make sure that our people can do their job, but that they can also do it safely. That's why this money is important. We recognize and acknowledge that the Canadian Armed Forces told us they needed help in maintaining their existing equipment, and we've come forward with money to do that.

There's also money, as I mentioned, for maintaining the Halifax fleet. Until the new destroyers are built, we're going to have to remain operational, and we can't do that unless we maintain those frigates. Money to maintain our existing fleets is every bit as important as the money that we're asking for in new capital acquisitions.

• (0835)

**Ms. Viviane Lapointe:** Can you elaborate on the \$210 million that is allocated for science and technology research to modernize the North American Aerospace Defense Command and what this funding means for the future capability to defend Canada and North America?

**Hon. Bill Blair:** As this committee is well aware, we've allocated \$38.6 billion for NORAD modernization. It is going to require a significant update.

We've relied for generations on the DEW line, which has provided great service. New over-the-horizon and polar over-the-horizon radar systems, new technologies and, frankly, moving towards more robust integrated air and missile defence for the continent are part of the NORAD modernization. It's going to require that we invest in Canadian innovation and researchers so that we can do our part and participate in that alliance.

There are other announcements that I will be making shortly. I don't want to get too far ahead of myself, but we're also working very closely in alliance with some of our international partners, including Australia, the United States, the United Kingdom and others. Canada is really stepping up.

It's one of the reasons I might suggest we are being very actively attracted to the AUKUS pillar two table, because Canada's scientific innovative community is strong. We have much to offer our allies, but it does require that our government invest in those innovators and invest in that research in order to make us truly effective.

**Ms. Viviane Lapointe:** The estimates contain \$59 million in funding for Canada's Communications Security Establishment. We've seen certainly some testimony here that, with cyber-attacks on the rise, including more frequent cyber-threats to economic security, we will need to rely on those capabilities to continue to keep Canadians safe.

How critical is this funding to ensuring that we can continue to build up Canada as an effective cyber-power?

**Hon. Bill Blair:** First of all, let me take the opportunity to express my great pride in the exceptional work of CSE. I hear from our allies all the time about the very high respect that our people are earning in the international community. They're also doing critically important work in protecting not just our country but our provinces' and municipalities' critical infrastructure across this country from cyber-attacks.

Canada is in a state of constant attack from the hostile activities of state actors and criminal organizations that are attempting to undermine our important public institutions, our critical infrastructure and our data systems through cyber-attacks. CSE is our first line of defence. It's absolutely essential.

I'm sure the chief will be able to provide you with more detail on what some of those investments will involve and why they're necessary. They have convinced me, and I hope to be able to convince you, that there's an urgency to continue to make these investments, because the work that they do is so critically important to our national security and defence.

**The Chair:** Thank you.

[*Translation*]

It is now over to Ms. Normandin for six minutes.

**Ms. Christine Normandin (Saint-Jean, BQ):** Thank you, Mr. Chair.

It's always nice to have you, Minister.

In September last year, your budget was cut, namely on the maintenance and operations side. In these supplementary estimates, I don't see any additional money for operations. Things like field training come to mind.

I would just like to know whether you asked for additional money for operations or training, for instance. If so, was your request denied? Did you just not ask for additional money for training and such?

[*English*]

**Hon. Bill Blair:** Thank you very much.

I'll take the opportunity to share with you that, as I've indicated already, we were asked by the Treasury Board to look at funding refocusing. Every department was asked to look at their expenditures. It's important that we be efficient in the way we spend public taxpayer dollars and that we get the most value from them.

I directed that we would not look at the maintenance of our equipment, the supports we provide for our people or anything that would impact operations or the supports of members of the Canadian Armed Forces. Instead, we are looking at some professional services. Some are absolutely essential, and I know you're well aware of many of them, but some of them were perhaps not the best use of public resources. We also looked at executive travel and other measures that, I think, were appropriate to make sure that we were managing our funding appropriately.

There have been some operational impacts and, therefore, I've now been advised that, in the second round of budget refocusing the Treasury Board has undertaken, there has been a decision made to exempt the Department of National Defence and the Canadian Armed Forces from any future refocusing of spending. I think it's an acknowledgement of the important and essential work we are doing. It's reflected in our budget and in the estimates we're bringing forward to you. It's good news for the Canadian Armed Forces and the Department of National Defence.

I hope it's good news for this committee that there's an acknowledgement that we need to do much more, and we need to do it quicker.

• (0840)

[*Translation*]

**Ms. Christine Normandin:** I understand from your answer that cuts were made to professional services and in other areas. However, I wanted to know whether you got any requests to restore the training or operations budget, say. If I understood correctly, no cuts will be made going forward. That's what you said.

Right now, though, as far as these votes are concerned, did you get any requests for more money?

[*English*]

**Hon. Bill Blair:** As I've indicated, there is indication here. There is a direct request for the sustainment of our fleets. However, it's not only meant for sustaining equipment, but also meant for making sure that we have the people trained with skills in order to maintain that equipment. Those are investments that could involve training, which is also essential as part of maintaining our fleets.

In addition to that, I believe we'll be able to share with you what the CDS and her team have put forward. It's a new reconstitution plan, which looks at a number of different training requirements, including expanding our training for basic training so that we can improve our intake of personnel into the Canadian Armed Forces. Part of that can be addressed within existing budgets. Part of it is going to require additional monies, and we'll be seeking that in the upcoming budget.

[*Translation*]

**Ms. Christine Normandin:** Thank you.

Something that comes up over and over again is the production of 155-millimetre shells.

I'd like you to talk about that. I see that the department is requesting funding in the supplementary estimates for the acquisition of air-to-air missiles.

What about improving domestic capacity to manufacture 155-millimetre shells, among other things?

[*English*]

**Hon. Bill Blair:** Actually, a great deal was happening in that discussion. There are negotiations now taking place between the Department of National Defence and the Canadian industries involved in the production of munitions. We met with them, and we heard very clearly that they needed the certainty of long-term contracts. We've provided that in ONSAF. In the 2021 budget, I believe \$1.8 billion is directed towards the procurement of those necessary munitions.

We're also in discussion because there was also money allocated to invest in new production lines, the security of new supply chains. That is part of an ongoing contract negotiation that's taking place with those companies.

I want to assure you that we are seized with a great sense of urgency. I've heard very clearly from the Canadian Armed Forces that it wants to urgently move towards having an adequate supply of battle-decisive munitions, and we will do what is necessary to acquire those munitions, if possible within Canada. If it's not possible

to do it in a timely way, then we have other options that we'll consider as well.

[*Translation*]

**Ms. Christine Normandin:** Thank you.

In the supplementary estimates, more funding is being requested to assist Ukraine, some \$400 million, if I'm not mistaken.

In October, as I recall, the government announced \$64 million to purchase small arms.

What will the rest of the money be used for? Is it a loan? Is it to procure equipment? Is it a direct contribution?

[*English*]

**Hon. Bill Blair:** Thank you.

There are a number of significant investments. We are in constant communication with Ukraine.

I'll take this opportunity to share with you, if I may, about the NASAMS. I know that this committee has been quite focused on it, and we've worked really hard with our American allies, with Raytheon, the manufacturing company, to deliver this as quickly as possible. I'm now advised that this equipment is in the hands of Ukrainians. I can't give you more information on that because of operational security, but we have been able to deliver, at long last. I think it's going to make a difference because it will enable them to protect communities.

There are also a number of additional things we are attempting to do with Ukrainians. You're right. We've already provided a number of supports within the broad envelope, but it's not just the one you referenced. It's a total of \$763 million in these estimates. There is money that we are investing, for example, in Ukrainian industry. They're working in partnership with our armed forces and with Canadian industry to produce munitions in Ukraine. Supporting that industry helps Ukraine develop what it needs and gets it delivered much quicker.

• (0845)

**The Chair:** Unfortunately, we're going to have to leave it there. I'm hoping you're going to work those kinds of responses into other questions.

Ms. Mathysen, go ahead for six minutes, please.

**Ms. Lindsay Mathysen (London—Fanshawe, NDP):** Thank you, Minister, for joining us today.

The supplementary estimates outline a number of different transfers to different institutions. Yesterday, though, we learned in the external monitor's fourth report that the Canadian Human Rights Commission representatives are restricted in their ability to conduct outreach to CAF members on their rights due to "a lack of resources."

Why is the Department of National Defence not stepping in to provide those additional funds to cover the necessary outreach that needs to occur?

**Hon. Bill Blair:** Again, the Department of National Defence and the Canadian Armed Forces do not fund the Canadian Human Rights Commission. However, I think it's important that we do everything that is possible. We did make a policy decision, and we enacted new rules that allow every member of the Canadian Armed Forces to go directly to the Canadian Human Rights Commission. That has put an additional burden on the Human Rights Commission—that our people can go directly. We've already seen some very positive things, which the external monitor has also pointed out.

If I may, as well, I'll highlight another area that is a shared concern of ours, which the external monitor has highlighted. One of the challenges for the Human Rights Commission, for the external monitor and for the Canadian Armed Forces is inadequate access to the data that is necessary to facilitate proper resolution of these matters and to facilitate speedier action. There is money here that we are investing in digitizing our HR processes to improve the data availability that would be available to CAF and to the Human Rights Commission, and that would support our members.

**Ms. Lindsay Mathysen:** The external monitor talked about the plans to expand on the independent legal assistance program by expanding in-house legal expertise. I think that's what you were just speaking about.

What consideration has been given to survivors who would face a barrier to accessing these resources due to institutional betrayal, which makes them hesitant to access legal advice from an institution that has such a problematic history?

That would also link it back to the Canadian Human Rights Commission, considering that it would be a trusted ally and source, as opposed to internal resources.

**Hon. Bill Blair:** Lindsay, it's an important question. We want to make sure that those survivors have access to adequate legal resources. I'm advised that the Department of National Defence provides funding to enable them to access those resources if and when they require them.

**Ms. Lindsay Mathysen:** Except we were told those are restricted.... The external monitor explained that they are being restricted and they are not as accessible in terms of the resources that are required.

**Hon. Bill Blair:** Again, there is access to funding. The department provides funding in order to enable them to access those resources.

Let me also acknowledge that I think the external monitor is doing an exceptional job for us. We work daily with her. We receive the interim reports from her episodically, but there's a daily conversation about things we can work on and improve together. As she has already highlighted, by the end of this year, two-thirds of those recommendations will have been implemented.

We are working to fully implement all of the recommendations by the end of the year. We have a comprehensive implementation plan. We'll continue to find ways to make sure that survivors get all of the supports they require.

**Ms. Lindsay Mathysen:** That's good news.

Because of that potential mistrust of internal sources and internal legal counsel, would you consider funding lawyers who are already part of the class action suit? These are trusted lawyers and trusted legal representatives.

Is that something the department would consider? Could it provide funding for that independent legal counsel?

**Hon. Bill Blair:** Again, I think that would have to be considered on a case-by-case basis, depending on the circumstances. I don't want to give a blanket answer.

Yes, I believe there may be different circumstances that would need to be considered under those circumstances. We don't necessarily fund, for example, lawsuits against the government and against the Canadian Armed Forces.

**Ms. Lindsay Mathysen:** No, these would be the lawyers who represented within the class action who then go on to help those same survivors.

**Hon. Bill Blair:** It's something I would certainly undertake to look into to see in which circumstances it might be appropriate to provide that type of support.

**Ms. Lindsay Mathysen:** Okay.

When you came before the committee last month and we discussed this topic, I asked you about National Defence's obligations under that class action suit on sexual misconduct. The class action included the review of the SMSRC mandate within five years, and that review is to be conducted alongside representatives of the class action.

You told us at the time you hadn't found a court appointment to be the external review team lead, but the external monitor's report says an internal review took place last year, and a revised administrative and executive structure for SMSRC had been approved and was awaiting finalization.

Can you further explain your comments to this committee and why you said that at the time, considering the external monitor seems to believe differently?

● (0850)

**Hon. Bill Blair:** Again, I value the input of the external monitor. I'm advised that this is very much involved in the HR department, and it's working through some of those resolutions. The external monitor's advice on this is something.... As I said, we work with her on a daily basis in order to make sure that we respond appropriately.

I share your concern, and I did when I was here with you a few weeks ago, that five years is a long time to wait for a resolution of these matters, so we are working hard to make sure that we get the job done.

**The Chair:** Thank you, Ms. Mathysen.

Mrs. Gallant, you have five minutes.

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC):** Thank you.



Minister, amid the \$2.7 billion in cuts, how are you ever going to replenish the ammo stockpile for our troops, which you depleted? What types and amounts of ammunition have been contracted for CAF use?

**Hon. Bill Blair:** Thank you very much for the question. There are a number of questions.

First of all, I think your characterization of a \$2.2-billion cut is inaccurate. Last year, the actual reduction was substantially less than that, and I think—

**Ms. Stefanie Beck (Deputy Minister, Department of National Defence):** It was \$810 million.

**Hon. Bill Blair:** It was \$810 million, but there was no reduction in munitions acquisition. As I've said, we've put money in the ON-SAF, and it's \$1.8 billion. We're currently in contract negotiations. Battle-decisive munitions.... I think everybody talks about the 155-millimetre munitions, but it's a broad range of munitions.

**Mrs. Cheryl Gallant:** Thank you, Minister.

How do you decrease expenditures when nothing has been done in the first place? The stockpiles were depleted and not replenished. We want to see where the contracts are. The soldiers want to know that they're going to have ammunition when sent into theatre.

**Hon. Bill Blair:** Yes, ma'am. As I said, right now, our budget for acquiring munitions is about \$300 million per year. There was no reduction in that expenditure. In fact, it went up last year. However, we've also heard very clearly about the need to have an adequate supply of battle-decisive munitions. One of the pressures, obviously, is the supports that we've also been providing to Ukraine, but that doesn't relieve any of us of our responsibility to make sure that the CAF has what it requires, and we're investing in that.

**Mrs. Cheryl Gallant:** Thank you. We don't have contracts. Okay.

Our troops in Latvia have broken-down vehicles and no mechanics. The troop carriers are just non-functioning. They not only don't have mechanics but also don't have spare parts.

Given this, how are we going to ensure in the short term, with leading that whole brigade, that we're going to get them what they need should this become a hot war?

**Hon. Bill Blair:** First of all, respectfully, you have mischaracterized the state of readiness. We've actually made some very significant investments in our deployment in Latvia, and we've just completed a major NATO training operation with our allies in Latvia. I would characterize it, as our NATO allies have done, as an overwhelming success and a demonstration of capability in that theatre.

**Mrs. Cheryl Gallant:** We're borrowing from other countries. We don't have our own for our own troops. We're relying on the mercy of others the way we relied on mercy for choppers in Afghanistan.

What impact will the \$2.7 billion in cuts to the CAF have on deterring the Russians or the Chinese in the Arctic?

**Hon. Bill Blair:** Respectfully, your characterization is not accurate. We are refocusing certain spending to make sure that we are spending money well on such things as hospitality, executive travel and professional services. However, we are not in any way diminishing but, in fact, are significantly increasing our investment in op-

erational readiness. That means significant new investments in people, which are absolutely essential to the operations of the Canadian Armed Forces, and in new platforms and equipment—new ships, new planes, new vehicles. All those investments and contracts have been signed and are well in train.

Also, we're coming forward with these estimates, asking for the money that is required to maintain those fleets that you cite and that I agree need to be kept in a state of good repair.

• (0855)

**Mrs. Cheryl Gallant:** Thank you.

Given that your government refuses to put the capabilities in place to deter foreign incursions in our Arctic by hostile nations, is the minister hoping that the U.S. will just take over that responsibility for our Arctic? We're not doing anything. In the short term....

**Hon. Bill Blair:** In the long term as well.... Respectfully, Canada is stepping up. I invite you to go back and reread our new defence policy update, which talks about the necessary investments and about Canada taking on greater responsibility for continental and national defence. We're already investing, as I've indicated to this committee, \$38.6 billion in NORAD modernization.

Canada is doing its part, and we're going to do more. We're investing in underwater surveillance. We're investing in new fighter jets. We're investing in new infrastructure.

**Mrs. Cheryl Gallant:** We can print whatever we want, but there's no execution plan. Given the cuts to the CAF, what is the year-by-year training plan for submariners to be proficient on the new submarines, given that there's probably going to be a gap in capability in submarines?

Once we've lost that capability, it's going to take a long time to get them up to snuff and capable of deploying with our new submarines. How are you going to do that?

**The Chair:** That may or may not be an important question, but Mrs. Gallant has not given you any time to answer it.

We'll move on to Mr. Collins for five minutes.

**Mr. Chad Collins (Hamilton East—Stoney Creek, Lib.):** Thanks, Mr. Chairman.

Minister, good morning. I'm going to take us back to Ukraine.

You might recall this time last year, I think it was the first week of December, we had the Leader of the Opposition playing procedural games in the House of Commons. We had that 30-hour debate and voting that took place in the first week of December that essentially was holding up, similar to today, support for Ukraine. At that point in time, if you recall, Minister, he instructed his caucus members to vote against not just all of our supports for the Canadian Armed Forces but the supports that we're providing to the people in Ukraine.

Here we are again, almost the same time of year, and the Leader of the Opposition is playing procedural games, as my colleague pointed out in her questioning. It will have the same impact and effect. It will hold up the necessary resources for people in Ukraine. I know that when I met with Ukrainian Canadians in my community recently to mark the 1,000-day point in the illegal conflict, they shared their concerns in terms of what's happening in the U.S. and what might come as it relates to the support the U.S. has traditionally provided through the conflict. They also pointed to what's happening here in Canada and the need to provide more resources.

You highlighted in your opening the resources that are included in the estimates for Ukraine. I'm wondering if you can make any sense in terms of why the Leader of the Opposition would take the position he has. Why is it important for us to continue our support for Ukraine?

**Mr. James Bezan:** I have a point of order.

Instead of sitting here and attacking other parliamentarians, I would just say that Conservatives support Ukraine, full stop. We don't support this government. These are two different questions.

**The Chair:** That's a debate, not a point of order.

**Mr. Chad Collins:** My next question will be on misinformation. I will get to that next.

**Mr. James Bezan:** Let's talk about misinformation—

**The Chair:** Gentlemen, that is not a point of order; that is a point of debate. I've stopped the clock.

Mr. Collins, you have three and a half minutes.

**Mr. Chad Collins:** The minister has the question in his hands.

**Hon. Bill Blair:** Thank you very much.

One of my reasons for coming to this committee is that this is an all-party committee. I believe that everybody at this table understands the importance of supporting the Canadian Armed Forces, but also understands the importance of supporting Ukraine. I think there are circumstances where standing up for Ukraine may require that you have to stand up to your leader to do what is right.

I'm hopeful that I'm able to make the case about the urgency of the supports to Ukraine so that perhaps, through the members of this committee, they can go back and have that conversation with their political leadership in order to ensure that all parties do what is necessary and do the right thing.

I think we unfortunately saw last year a lack of support for those measures, and there may have been many other reasons or excuses for that. I'm really hopeful this time, given this urgent situation that exists in Ukraine.... I believe Canada and Canadians are unwaver-

ing in their support for Ukraine. We recognize the urgency of continuing to provide them with supports. I just remain hopeful—perhaps that's naive, but I remain hopeful—that perhaps we can put partisan political interests aside and do the right thing for the people of Ukraine.

• (0900)

**Mr. Chad Collins:** That's agreed and very well said.

Minister, I'll move on to misinformation and disinformation. Part of Russia's campaign includes trying to convince not just Canadians but people across the world that supporting Ukraine is something that isn't important. Unfortunately, those efforts have paid dividends both in the United States and here in Canada. We increasingly see chatter on social media, speaking to the Russian talking points they're pushing. They've also paid social media influencers in the U.S., and that certainly is in the public realm now, and there are charges pending, I think, south of the border. That has bled here into Canada as well in terms of some of the social media influencers you'll see parroting the same talking points.

You mentioned in your opening a cyber-domain investment. I think that will probably go a long way to addressing some of these issues, but can you expand upon that investment and what it means to combat Russian disinformation both here in Canada and in other parts of North America?

**Hon. Bill Blair:** There is currently also legislation before the House that speaks to this. I think it's important legislation, because I think Parliament has a responsibility to take the steps necessary to protect our national interests and protect Canadians from the onslaught of misinformation, as you say.

Respectfully, I don't want to get too deeply into some of the intelligence that we are aware of, because this isn't the appropriate forum for that discussion. I'll just simply share with you that I'm, on behalf of the government, the person who makes most of the public announcements about the investments and supports that we're providing to Ukraine. They used to be the most popular things that I ever put out on social media, and it crossed all party lines. For all Canadians, there was overwhelming support. Now I'm inundated with misinformation, attacks by bots and right-wing bots—some of them south of the border, some of them obviously Russian-influenced. Some of them are just people getting caught up in that misinformation campaign. It's a little bit disappointing to see the waning of some support. That's the intent.

I would also point out some of the sabre-rattling that we're now seeing from Russia. Bullies do not like it when their victims can hit back. They complain bitterly about that. They're the ones who are attacking people and infrastructure.

**The Chair:** Thank you, Mr. Collins.

You have two and a half minutes, Madame Normandin.

[*Translation*]

**Ms. Christine Normandin:** Thank you, Mr. Chair.

Minister, I want to revisit production capacity as it relates to the 155-millimetre projectiles. You were asked about it a few times, about a year ago. On December 7, 2023, you promised to increase production capacity by four times, from 5,000 to 20,000 per month. A few months ago, you said you were waiting for the results of a manufacturer study on how to increase production.

Shortly after, you were asked about it again. You said that the manufacturers were perhaps taking advantage of the situation to raise the price tag, and you wanted to make sure Canadians were getting the most bang for their buck. You never gave us a number, however.

It is now a year later, and I'd like to hear your answer. What is Canada's monthly production capacity currently?

[English]

**Hon. Bill Blair:** Thank you.

I just received information from officials, so it will be accurate, that right now the monthly production is 5,000 rounds of 155-millimetre ammunition that we're acquiring. However, we believe that has to increase in order to meet the requirements of the Canadian Armed Forces, and not just domestically but in our international obligations as well. I think the target we're aiming for is about 12,000 rounds.

**A voice:** Yes, it's 12,000.

**Hon. Bill Blair:** Thank you. I got that right—that's always encouraging—about 12,000 rounds.

There are contract negotiations taking place right now with those companies. It involves not just the signing of long-term contracts—which the companies have said they require from us for that certainty that business requires—but also investment in their production and the security of their supply chains. Those negotiations are taking place right now. Frankly, our department officials are involved in those negotiations, and it would be inappropriate for me to discuss the state of those while we're in this state. I want to assure you that I share your urgency in delivering on this.

We're also concerned because it'll take some time for those new production lines to be initiated, so we're also looking at, as an interim measure, alternative ways to acquire the required munitions in a more timely way.

**The Chair:** Madame Mathyssen, you have two and a half minutes.

**Ms. Lindsay Mathyssen:** When your predecessor appeared at this committee last, I tried to ask questions about the civilian Afghanistan language and cultural advisers. He wouldn't answer those questions, so I'm hoping that you will. They served side by side with the Canadian Armed Forces. They were on patrols, in uniform and armed. Some served for two years straight, and they're being treated as though they were this external group.

Yesterday you told reporters that you are looking to provide the same protections for these workers as public servants. Can you confirm today what existing long-term income replacement programs you are claiming they qualify for, and explain why they haven't been approved to date?

Can you also say why the supplementary estimates didn't include that immediate funding for income replacement? You don't have to create a new program. You could do some income replacement.

● (0905)

**Hon. Bill Blair:** If I may, first of all, let me acknowledge the valuable contribution of those linguistic and cultural advisers. They did serve side by side. Many of them went outside the wire. They put themselves at risk and experienced, obviously, many of the same challenges that the members of the Canadian Armed Forces dealt with.

I think it's important to also clarify that they were not members of the Canadian Armed Forces; they were under contract. We made a decision not to treat them as separate contract employees and say, "This is the responsibility of the direct employer with whom we had the contract," but rather that they're public service employees. We made that decision because we believe that we have an obligation to them, and as public service employees they are going through a process to determine their eligibility for health supports and income replacement.

I believe that 23 of the 26—I'm hoping to make sure this is all accurate, and that's why I'm looking over my shoulder—already had their issues on health support services adjudicated by the WSIB, and the rest of that work is proceeding. There were also cases about income replacement that went through the WSIB. I believe at least one of them was resolved to about half a million dollars. That work is ongoing. We are following the appropriate processes.

I understand that there is some frustration. Quite understandably, they are seeking to be treated exactly as members of the Canadian Armed Forces. The Canadian Armed Forces benefits are well-defined in legislation and contract. These are not members of the Canadian Armed Forces, but we made a decision to treat them as public service employees and we're following exactly the same processes of adjudicating their claims. Contrary to what you suggested, I'd not suggest that they're all entitled to income replacement supports. That will be determined by the WSIB.

**The Chair:** We're going to have to leave it there. Thank you.

Mr. Stewart, you have the floor for five minutes.

**Mr. Don Stewart (Toronto—St. Paul's, CPC):** Thank you, Mr. Chair.

Thank you, Minister.

I want to clarify a couple of things here before we start. Conservative support for Ukraine is not contingent on support for this Liberal government. The people of Ukraine know where we stand. I spoke to them on Sunday at the Ukraine Consulate, and it's very clear.

Second is, if you read The Globe and Mail this week, you would see that, in their view and in many people's view, the seizure of Parliament is squarely at the feet of the Liberal government, so let's be clear on that. It is not the Conservative Party holding up Parliament.

Third, I'd like to point out for the minister that GDP is a standard calculation across the world, including NATO, that represents the entire value of goods and services produced in a country minus imports. That's also the definition that NATO uses, so we would love to see an update on our military spend versus the standard definition of GDP that coincides with that from the finance department.

Sir, are the cuts to the military being driven by the PMO?

**Hon. Bill Blair:** I'm sorry...?

**Mr. Don Stewart:** The cut to the military, the \$2.7 billion, is that being driven by the PMO?

**Hon. Bill Blair:** No. Again, I'm going to have to clarify that, because you have made a blanket statement that is completely inaccurate. We've been asked to do in every department.... The government has been asked to do a funding refocus to make sure that spending—

**Mr. Don Stewart:** Why would we not shift that spending versus cut it from the military and shift it to where it's needed?

**Hon. Bill Blair:** The decision is being made.... As I've already indicated, we were asked to do a funding refocus, and we did. It was necessary because, quite frankly, when we spend money, we have to make sure that it contributes to capability for the Canadian Armed Forces and support for the members of the Canadian Armed Forces.

**Mr. Don Stewart:** My question is, sir—

**Hon. Bill Blair:** That's what we're supposed to be doing.

**Mr. Don Stewart:** If we are refocusing the spending, why is it not refocused within the military so that we get support for the troops who need it to increase their capabilities here?

**Hon. Bill Blair:** It's because we've learned the lessons of the past. I remember too vividly, and I know the Canadian Armed Forces does as well, 2013, when a previous government cut \$2.5 billion from the defence budget. It was a broad axe slash at defence, and it reduced defence spending to less than 1% of GDP.

**Mr. Don Stewart:** Would you say—

**Hon. Bill Blair:** We're not going to do that again.

**The Chair:** Excuse me, gentlemen.

It generally works better when you don't talk over each other. It generally works better when the answer and the question are roughly the same length.

Mr. Stewart, please let the minister answer. We'll give him another 10 or 15 seconds, and then we'll go on to Mr. Stewart's next question.

• (0910)

**Mr. Don Stewart:** He didn't answer the question.

**Hon. Bill Blair:** In my 10 or 15 seconds, I would also comment that I think deeds speak. Talk is cheap, but when it comes time to step up and do what is necessary for Ukraine, I am very hopeful

that every member of our Parliament will do what is required and support these supplementaries.

**The Chair:** Go ahead, Mr. Stewart.

**Mr. Don Stewart:** Thank you.

Would you say that we have the necessary warrior culture within the CAF?

**Hon. Bill Blair:** I will tell you that I am daily impressed by the dedication and resolve of the members of the Canadian Armed Forces to do their jobs. I'm not 100% sure what you're referencing as a warrior culture, but what I can tell you is that the Canadian Armed Forces needs great people. In my understanding, great people includes great women, great indigenous candidates and great diverse candidates.

As my friend and colleague the Secretary of Defence of the United States just said yesterday—

**Mr. Don Stewart:** I think we either have it or we don't.

**Hon. Bill Blair:** —women have made the Canadian Armed Forces stronger.

**Mr. Don Stewart:** The last thing I want to ask you about is this. Given that we have in some place a warrior culture, do our warriors have the tools that they need to feel safe in their jobs and equipped when they're in theatre to do those jobs?

**Hon. Bill Blair:** That's exactly why I've come before you to ask for the resources that are in the estimates to make sure that we provide members of the Canadian Armed Forces with the tools they need to do their jobs. I'm really hopeful we're going to get your support this time.

**Mr. Don Stewart:** Have the soldiers right at the ground level been asked if they feel like they're supported by the government?

**Hon. Bill Blair:** We speak to the soldiers all the time. I've been travelling across the country.

**Mr. Don Stewart:** Has there been a survey done?

**Hon. Bill Blair:** What's that?

**Mr. Don Stewart:** Has there been a survey done with the data?

**Hon. Bill Blair:** We speak to our people all the time about their experiences. We've been talking to them about housing. We've been talking about access to child care, and we've been talking to them about the tools and equipment that they need to do their jobs. It's one of the reasons we, in our defence policy, put a lot of money on the table—

**Mr. Don Stewart:** Have we been able to supply them with the nine-millimetre ammunition to train?

**Hon. Bill Blair:** Again, it requires not talk but investment, and it's one of the reasons I hope that this committee will support those investments. The Canadian Armed Forces has had enough of talk.

**Mr. Don Stewart:** I wonder if there's been any talk of expanding the MSP in order to fill some of the gaps that we have in that supply program.

**Hon. Bill Blair:** Again, some outstanding work is being done in order to make sure that we invest in the things that the Canadian Armed Forces needs, but it requires the release of the money. That's why I'm here this morning.

**Mr. Don Stewart:** Going back to the nine-millimetre, has there been a resolution on the supply of the nine-millimetre ammunition for the training of reservists?

**Hon. Bill Blair:** Actually, there has been some very good work done in contracts with Canadian suppliers to make sure that this proceeds quickly. Yes, I think there's been real progress on that.

**Mr. Don Stewart:** Thank you.

**The Chair:** For the final questions, we'll go to Madame Lalonde for five minutes.

**Mrs. Marie-France Lalonde (Orléans, Lib.):** Minister, I want to say thanks for appearing in front of us this morning.

There's been some—actually, a lot of—investment in our Canadian air force. I think that over the past 18 months it's been close to \$60 billion, through the acquisition of the F-35 and the P-8A. That will, ultimately, need to fund a program called the future aircrew training program. As I see in these estimates, there are \$659 million for that particular program. I think we can all agree that the equipment will require that next generation of individuals to be highly trained.

Can you maybe tell us a little bit more about the need for training and supporting our next generation of pilots?

**Hon. Bill Blair:** This particular program is quite substantial. We signed a contract with a consortium of Canadian companies in order to deliver it. It is the largest investment in the Royal Canadian Air Force since the Second World War.

We've also, as you've indicated, signed contracts to acquire new F-35 fighters and P-8A multi-mission aircraft. There are other significant investments in new trainers so that our people can train properly and safely.

Over the next 25 years, that program is going to provide our pilots and our aircrews.... It's really important because I think we often focus on the training of pilots. Don't get me wrong. Pilots are really important, but every plane requires a crew and that crew requires maintenance personnel and other supports, so we need to invest in that.

We've signed contracts to deliver those planes. The P-8As are going to start being delivered by 2026. We're moving really rapidly in order to get the Canadian Armed Forces exactly the tools that it needs. However, we have to make sure that our people are ready when those new aircraft arrive, so there's an urgency to this. It's why we've put \$659 million in these supplementary estimates to begin that essential program.

Canada also has an extraordinary reputation around the world. As a country that has trained pilots and aircrews for other of our allies, certainly through the Second World War, we're re-establishing that capability for Canada because I think it's another significant contribution our country could make to global peace and security.

• (0915)

**Mrs. Marie-France Lalonde:** Thank you very much.

As we are talking about some of the equipment for the air force, I would like to take you back to the announcement you made regarding the Canadian multi-mission aircraft project. Canada is procuring, as you said, the 16 P-8A aircraft. They're known as sub hunters, I'm told—I am not a military person—as they can operate in complex land and sea operations. They're also interoperable with our partners, and that's a key element of some of our decisions.

These supplementary estimates include over half a billion dollars to fund this critical project for our air force needs. What is the impact of this funding, particularly? You started to talk about the P-8A aircraft being held up in our air force.

**Hon. Bill Blair:** First of all, they're going to replace the C-140s, which have been doing extraordinary work for the Canadian Armed Forces and for our allies for the last 45 years, but it really is time to replace those aircraft.

We listened very carefully to the air force. They said what they needed in these aircraft, and it's why we made the decision to go with the P-8A. As you've indicated, the P-8A Poseidon is primarily a submarine hunter, but it's multi-mission in its capabilities. It's operated by all five of our Five Eyes partners and by Norway and Germany. There are real advantages, as the air force can share with you, to interoperability and even exchangeability in these things.

We have an opportunity, because our allies use these aircraft, to train alongside them right now and to accelerate our ability to receive these aircraft and to manage a very orderly but rapid transition from the C-140s to the P-8As, so we need to start investing in that now.

It's investing in the training, but it's also investing in some of the infrastructure that's going to be required in order to support these aircraft when they are delivered. There are some adjustments that need to be made from our existing maintenance facilities, so that work has to proceed. We want to be ready when we want to move quickly.

There's an urgency to this because of the actions of our adversaries. We're seeing a lot more naval, maritime and submarine activity in the North Atlantic, in the Pacific and in the Arctic, and we want to make sure that we have the equipment necessary to deal with it.

**The Chair:** You have about one second.

**Mrs. Marie-France Lalonde:** Just to understand, we're proposing, in these estimates, \$3.3 billion for the authority to continue providing.... I always hear criticisms that we are not spending money or not allocating the funds required.

What is the impact if these estimates are not approved shortly?

**Hon. Bill Blair:** It'll slow us down very—

**The Chair:** Be very brief.

**Hon. Bill Blair:** It'll slow us down very significantly.

I believe every member of this committee understands the urgency of going quickly. That's one of the reasons why I wanted to come and share with you these estimates and convey to you the importance of getting them approved as quickly as possible.

**The Chair:** Colleagues, that brings our first—

**Mrs. Cheryl Gallant:** I have a point of order.

When my round started, my mic was not on, unbeknownst to me. I think it would be appropriate to allow me one question, in order to make up for that span of time when my mic was off.

**The Chair:** Do we know whether her mic was off?

**Mrs. Cheryl Gallant:** I wouldn't complain, Mr. Chairman, but this isn't the first time. I'm not suggesting anything is intentional.

**A voice:** Oh, oh!

**Mrs. Cheryl Gallant:** We know the Speaker of the House does that, so we want to make sure that, you know, fair is fair.

**The Chair:** We made pretty good time. I'm going to allow you one minute, and that's it.

**Mrs. Cheryl Gallant:** Okay. Thank you, Mr. Chairman.

There is going to be a gap in our satellite constellation. One is going off-line before the next one is ready to replace it.

What measures are being taken? What is going to happen to make sure there is no gap in that surveillance?

**Hon. Bill Blair:** Thank you very much.

I can advise that interim arrangements have already been made to ensure there is continuity of that availability.

**The Chair:** Thank you.

That brings our first hour to a conclusion, relatively unscathed.

We appreciate, Minister, your making considerable efforts to be here and sharing the supplementary estimates.

With that, colleagues, we will suspend for only as long as we need to in order to move into our second hour.

The meeting is suspended.

• (0920) \_\_\_\_\_ (Pause) \_\_\_\_\_

• (0920)

**The Chair:** I call this meeting back to order.

I'm assuming there are no opening statements.

Okay. We'll go directly to questions.

Mrs. Gallant.

• (0925)

**Mrs. Cheryl Gallant:** No, it's not me.

**The Chair:** Oops, no. It's Mr. Stewart. Okay.

**Mr. Don Stewart:** I feel like I was just here.

Thank you, Mr. Chair.

Thank you, witnesses, for being here today.

The first question I want to ask you about is on the training of our soldiers going to theatre in Latvia. We understand there was a decision made not to have the soldiers fully trained when they deploy.

I'm wondering about that decision, and when it was made.

**Lieutenant-General Stephen Kelsey (Vice Chief of the Defence Staff, Canadian Armed Forces, Department of National Defence):** Thank you, Mr. Chair.

The earlier question alluded to General Leslie, a very deeply respected warrior leader who actually set up our Canadian manoeuvre training centre in Wainwright. It's a world-class facility, unquestionably, for its immersive weapons effect simulation. That is the model that we would ideally use in this circumstance.

The nature of the task force and the brigade is an integration of multiple nations. It was a deliberate choice to do the combat manoeuvre readiness training in Latvia with the allies to assure integration.

**Mr. Don Stewart:** Does that put our junior soldiers, who have less experience, at any greater risk?

**LGen Stephen Kelsey:** I think the same level of training is assured. In fact, the brigade was validated last weekend and got lauded from the secretary general and from many CHODs for the integration of Canada, the mindset and the complexity.

The added advantage is that it was done in the face of Russia, so we gained the deterrence effect of doing it there.

**Mr. Don Stewart:** How long would you estimate that this training takes once soldiers arrive in Latvia?

**LGen Stephen Kelsey:** You deserve a clear answer, but I don't have....

**Mr. Don Stewart:** I would imagine that it's also ongoing. Every day there's something additional, and you're never done.

**LGen Stephen Kelsey:** I see the question, yes.

There's individual training to prepare individuals. There's collective training by groups. Then there's continuation training. When we deploy people to places like Latvia or elsewhere, it's a continuous maintenance of a level of readiness.

**Mr. Don Stewart:** Are there any other NATO nations that send their troops into theatre in the same manner?

**LGen Stephen Kelsey:** In fact, Italy and France do the same thing in Romania. For their combat readiness evaluation, they do it by computer-assisted exercises.

Canada's leading the way and was recognized last week for actually doing close-combat manoeuvres under a division construct, showing other allies how it can be done. We have our folks permanently there. Other nations often rotate or return to their home nations on the weekend, for example. Canada is actually demonstrating our competitive advantage in our approach.

**Mr. Don Stewart:** Deputy Minister and Lieutenant-General, the most recent directive on reconstitution included a risk assessment on achieving recruitment targets. One of the risks highlighted was that “widespread misinformation campaigns creating a lack of public confidence in national institutions could impede efforts to reconstitute.”

I'm wondering this: How could Russian disinformation regarding Ukraine and Canada's efforts and support for Ukraine throughout Operation Unifier affect Canadians' trust and support in our institutions and military?

**Ms. Stefanie Beck:** How about I start and then pass it on? In fact, I wouldn't be surprised if our CSE colleagues also have views to share.

What we're worried about—as, I think, everybody is—is the trust in the institution. Is this an armed forces that you would want to work for, to which you would want to be recruited? Is it a mission that you believe in? Are we doing the right thing?

This would be our concern with regard to incentivizing recruitment for those we need in the armed forces.

**Ms. Caroline Xavier (Chief, Communications Security Establishment):** What I would add is that the point of misinformation and disinformation is to create that distrust that my colleagues spoke about.

What we have been doing at the CSE is combatting and countering that misinformation and disinformation that comes from foreign actors in the form of the use of our foreign cyber-operations. We are able to use our toolsets to help defend against those types of activities.

**Mr. Don Stewart:** We are seeing disinformation being populated in our social networks here in Canada. How do you defend against that once something's already been blasted out through a network and people believe it? They usually believe the first thing they see and not the second or third thing that defends against it. How can you defend against that?

**Ms. Caroline Xavier:** That is fundamentally one of the concerns that we collectively should have. This is why the management of misinformation and disinformation has to be a whole-of-society role.

One of the things that we have done on behalf of the Government of Canada is put in place a misinformation and disinformation campaign over the last two fiscal years. We have worked hard to educate Canadians to be more critical in their thinking, by looking at and questioning more the information they're getting.

● (0930)

**Mr. Don Stewart:** This may be outside of your realm of expertise, but do you see that we're no longer teaching our children to be critical thinkers? We see this a lot in media. There's an evaluation

of our education systems in that we're now telling children how to think and are not asking them to learn how to critically think.

**Ms. Caroline Xavier:** It is beyond my capacity to talk about how our educational system works. However, what I would say is that in the last month of October, during Cyber Security Awareness Month, we ran a campaign to really raise the awareness of the many generations of our community, including our young people, to really be those critical thinkers.

**The Chair:** I have Mr. Powlowski online.

You have six minutes.

**Mr. Marcus Powlowski (Thunder Bay—Rainy River, Lib.):** Good morning.

The minister brought some good news this morning. He said that the NASAMS system that the Government of Canada had paid for was now in the hands of Ukraine. This is fantastic news given the daily news we get of Russian attacks on Ukrainian infrastructure and the death of Ukrainian civilians.

I wonder if somebody could talk a little bit about the NASAMS system. When I look it up, you see these trucks with these little boxes on the back that shoot off missiles. Is it one truck we're sending them, or is it a whole bunch of trucks? What is the NASAMS system and what size of an area does it protect?

**LGen Stephen Kelsey:** I don't profess to be an expert in air defence systems, but what I can tell you is about the NASAMS system versus what you described, which is HIMARS, a vehicle-based, rocket-propelled precision strike weapon. Those are two different things.

All that is to say that it's nice to know that we're now delivering what our allies in Ukraine have asked for. The system is actually going to make a meaningful difference to their fight against Russia.

**Mr. Marcus Powlowski:** I take it you're not going to give me any more particulars about the NASAMS system versus the Patriot system and what this protects from. If you're not experts in this, that's fine.

Am I correct in saying that you don't have the expertise to answer specifics about that system?

**LGen Stephen Kelsey:** Yes, sir, I do not.

**Mr. Marcus Powlowski:** Okay.

How about this one? We all know about Operation Unifier. We had the supplementary estimates, and we know we're giving \$760 million more to Ukraine.

What are we doing to continue to train Ukrainian troops? Certainly this is a big issue in Ukraine. The troops on the front line are getting very fatigued, some of them having fought now for a thousand days. They're running short on soldiers. They certainly need to be training new brigades and my understanding is that they are.

What form of assistance is Canada providing in training Ukrainian soldiers?

**Ms. Stefanie Beck:** I can start and then hand it over to the vice.

A huge range is the short answer, and it's very clearly targeted at what the Ukrainians need. The training that we provide is discussed within NATO as a direct result of conversations with the Armed Forces of Ukraine, where they are categorical about what it is they need and when.

Part of the issue is how quickly and in which locations can we provide training. Right now, we have about 350 members of the Canadian Armed Forces providing a diverse range of training to Ukrainians in the U.K., as well as in Poland. Also, there is a range of combat, engineering, medic and leadership development training and also some other training of aircrew, in fact.

Vice, do you have anything to add?

**LGen Stephen Kelsey:** The only thing I would complement is that the nature of the demand is constantly changing because the nature of the fight is constantly changing. It's not just what the Ukrainians want. It's actually close collaboration with allies to match who has the best competencies and available resources to match as quickly as possible.

We have good young Canadians out there doing great work, based on what the Ukrainians are looking for.

• (0935)

**Mr. Marcus Powlowski:** You say that we have Canadians doing training in Poland and the U.K. Do we have groups of Canadians based there who are specifically training groups of Ukrainians, or are they Canadians embedded within British forces, Polish forces, working with them to train Ukrainians?

**LGen Stephen Kelsey:** It's a little different for every circumstance, but essentially that's it. We have Canadians working with Brits training Ukrainians, and we have Ukrainians embedded with Canadian organizations. It's whatever satisfies the best way to deliver the training as fast as possible.

**Mr. Marcus Powlowski:** The minister was asked by Madame Normandin about 155-millimetre ammunition. Certainly the Ukrainians have been running short of that. The minister said that right now we're producing 5,000 rounds per month. Is that going to the Ukrainians?

**Ms. Nancy Tremblay (Assistant Deputy Minister, Materiel, Department of National Defence):** What I can say is that Canada has been donating a lot of equipment to Ukraine, including ammunition. So far, there have been more than 20,000 rounds of 155-millimetre ammunition provided to Ukraine.

**Mr. Marcus Powlowski:** What are our plans? Although it's great to be able to shoot off a few rounds ourselves and make sure we can do it, the Ukrainians need them. I don't think the Canadian Army is in desperate need of shooting anybody with 150-millimetre rounds.

Why aren't we giving those to Ukraine?

**LGen Stephen Kelsey:** We always want to do more for Ukraine, but I would counter the argument. To achieve a level of readiness of our forces, we need to constantly practice the competencies of indirect fire. We need the ammunition, regular and reserve, to maintain a level of readiness, so it's a balance.

**Mr. Marcus Powlowski:** As we ramp up—because the minister has said that we want to produce 12,000 rounds per month—is more of that new production going to be going to the Ukrainian forces?

**The Chair:** Thank you, Mr. Powlowski. Your six minutes has expired.

Ms. Normandin, you have six minutes.

[*Translation*]

**Ms. Christine Normandin:** Thank you, Mr. Chair.

I have one last set of questions.

My first question is about the 155-millimetre artillery shells.

There are two things I'd like to know about the manufacturer study that was commissioned in March.

One, has the study been completed?

Two, did the study focus on increasing production of M107 shells or M795 shells?

**Ms. Nancy Tremblay:** The study has begun and is in progress. It is focused on the 795-millimetre variant.

**Ms. Christine Normandin:** Thank you.

In July, at the NATO summit in Washington, the Prime Minister announced that Canada would increase defence spending to meet the 2% target by 2032. I would like to know when the department was made aware of the announcement.

What impact did that increase have on these supplementary estimates? Are you in a position to turn on the spending taps between now and 2032, instead of in the long term?

**Ms. Stefanie Beck:** Thank you for your question.

We had been planning and preparing documents for months. We were delighted at the public announcement regarding the increase to 2%.

Now, from an implementation standpoint, we need to figure out how much we can spend annually between now and 2032. Yes, we do have a plan for that too, but we can't spend anything until we have the money in hand, until the supplementary estimates are approved. Right now, we are still in planning mode.

**Ms. Caroline Xavier:** If I may, Mr. Chair, I would add that the votes for the CSE have been allocated for this fiscal year, if Parliament passes supplementary estimates (B).

**Ms. Christine Normandin:** I want to make sure I understand something.



The updated defence policy came out in April or May. In it, the government projected an increase in defence spending to reach 1.76%. When that was announced, the government was already working on a plan to increase spending to 2%, as announced in July.

Do I have that right?

**Ms. Stefanie Beck:** We are always very optimistic, so we plan accordingly.

**Ms. Christine Normandin:** Thank you.

I have a question specifically for you, Ms. Beck.

The last time you appeared before the committee, we asked you about a defence industry policy. You seemed to be in favour of the idea. Most of our witnesses tend to be in favour of establishing a defence industry policy. The minister is as well.

Everyone is in favour of it, but it doesn't seem as though anything is actually being done to make it happen.

I'd like to hear your thoughts on the subject. What concrete steps can be taken to establish a real defence industry policy?

● (0940)

**Ms. Stefanie Beck:** Certainly, nothing has been drafted yet because we have to consult with industry, as well as our allies. The Americans, the Australians and the European Union have recently come out with their own strategies.

Whenever we meet with industry stakeholders, we ask them about this. We also discuss it with our colleagues in other departments.

[*English*]

Certainly, it would be Industry, Science and Economic Development, and PSPC as well.

[*Translation*]

It's a triumvirate, if you will. We try to identify the challenges we are facing, while looking for solutions in partnership with industry.

**Ms. Christine Normandin:** Indeed, financial decisions usually involve not just the Department of National Defence, or DND, but also Public Services and Procurement Canada, or PSPC, as well as Innovation, Science and Economic Development Canada, or ISED. Several parties have a say, which tends to slow down procurement of new technology, among other things.

Does the will exist to create a more effective, centralized decision-making process, rather than always having three departments each do their own vetting?

**Ms. Stefanie Beck:** A few years ago, the decision was made to involve a number of departments to ensure that the money was being well spent. There are always ways to find a balance. For instance, during the last process, to procure the P-8 aircraft, it was clear from our standpoint what the Royal Canadian Air Force's needs were.

PSPC focused on what the best way to purchase or procure the aircraft was. ISED looked at how to maximize the benefit for Cana-

dian industry. Each department applied its own lens, and we ended up with a solution that suited us perfectly.

**Ms. Christine Normandin:** I'm almost out of time, but I have another question for you.

Should risk tolerance be built into an industry policy? Is that the key to any future policy? Public servants are reluctant to make decisions that could draw criticism.

**Ms. Stefanie Beck:** In developing the strategy, we want to be very clear about the risks. We want everyone involved to be fully aware of the risks when the decision is made. We don't worry only about ourselves.

[*English*]

**The Chair:** Thank you.

Ms. Mathysen, you have six minutes.

**Ms. Lindsay Mathysen:** Thank you, Mr. Chair.

Building from that last conversation, this industrial policy, it seems a bit as though in your response you were talking about going to the industries in general and having these conversations, yet it's the government that must take the lead.

Part of the leadership that's required is, of course, ensuring that we have "made by Canadians for Canadians" involvement in that. I have a bill that would require Canadian investment in that production for Canadians, by Canadians, with good unionized jobs. A perfect example of that is in my own riding, where the Canadian light armoured fleet is being made. Many have spoken to me about the protection of that, and it's good to see. We could do further investments in terms of water bomber fleets made in this very country, which we're not doing, to combat climate disasters, and further investment in Canada's shipyards.

Is there in the works a far more domestic procurement strategy, as opposed to what we're seeing in terms of the quite elaborate buying of American industrial solutions?

● (0945)

**Ms. Stefanie Beck:** I think that's a really important goal of this defence industrial strategy—to demonstrate what kinds of products can be made efficiently, cost-effectively, here in Canada, and particularly where we have areas of expertise that we want to encourage and grow, especially from a developmental perspective.

There will be times when the equipment that makes sense for us to buy is not made in Canada. Those are the ones where we want to try to make sure there are offshoots—parts, for instance, that are made in Canada. I would point, for example, to the F-35s, where we're not building the entire aircraft but there are Canadian suppliers that are part of that process. In every single F-35, there are parts made.... What I'm trying to say is that we need to be able to identify which parts of the Canadian defence industry we can bolster and support, because we know we will always need that sovereign capability, and which parts are where, frankly, taxpayer dollars are better spent more efficiently with some other supplier.

**Ms. Lindsay Mathysen:** Is there no understanding, though, even if you're spending a little more within Canada, that it actually helps Canadian taxpayers, considering we're talking about very good-paying Canadian jobs?

**Ms. Stefanie Beck:** Sure. It's a decision, though. We can lay all that out in the strategy and can be clear that, if you want to support a Canadian buyer in this particular instance, it might take a bit longer and might cost a bit more. However, we can be clear about that and not wonder later on why it cost so much—because we made a decision to invest in Canada.

**Ms. Lindsay Mathysen:** To shift back to what we were discussing when the minister was here, he said, about the five-year review, that he was taking it seriously but that the review hasn't started. However, the external monitor reported there was already an approved redesign of SMSRC on the shelf.

I'm trying to determine what's going on there, in terms of that miscommunication, because it was not made clear when I asked the minister. Is it that the design is being created and that there's an expectation, within the five-year review, that it will just be rubber-stamped? What's going on in terms of that? There's a conflict or a contradiction there.

**Ms. Stefanie Beck:** Thank you.

I appreciate the opportunity to clarify. It's a bit of a boring answer. I'm sorry.

**The Chair:** We like boring stuff.

**Ms. Stefanie Beck:** What we were talking about was the SM-SRC structure, the entity. It was created very quickly, with a whole lot of extra positions and with people and needs being met, month by month. It was set up in a rapid fashion to be able to deliver. The review was on whether we have the right structure in place and whether we have the right number of people doing the right number of things. That is what has been under way, and as far as I'm concerned, it is almost done. This is, of course, directly done with those who are leading SMSRC right now to make sure, for instance, that baseline funding is in place and that the positions are the right level, are in the right place and are staffed properly.

**Ms. Lindsay Mathysen:** I had actually hoped to speak with officials on Tuesday, as we are starting a study about toxic or contaminated DND sites. In London—Fanshawe, there's a national defence property. There has been an incredible amount of work done there. Within budget 2024, there were full announcements of the selling of surplus federal lands. I saw this in the federal contaminated sites inventory. I saw the amount of work being done. It's millions and

millions of dollars. There have been 38,600 tonnes of soil treated. There's a lot of work.

I need to know if you can confirm the scope of the contamination of this site, if there has been proactive communication and disclosure to municipalities within this site, and if you could table with the committee all communications sent to my constituents and to the municipality outlining the health risks posed by this extreme amount of work being done on this site and on other sites.

**The Chair:** I want to thank Ms. Mathysen for the questions.

You're way past your time.

You can respond to that in due course, as you see fit.

**Ms. Lindsay Mathysen:** I would ask for the tabling of those documents, just to be clear.

Thank you.

**The Chair:** Yes.

Mrs. Gallant, you have five minutes.

• (0950)

**Mrs. Cheryl Gallant:** Of the 70,000 people who applied to join the military last year, just 7,000 recruits were accepted. Of those 70,000, what number were rejected because they didn't meet the Prime Minister's woke agenda quotas?

Pardon me. Were 70,000 rejected?

**Mr. James Bezan:** No, there were 7,000 accepted out of 70,000.

**Mrs. Cheryl Gallant:** Okay.

There were 7,000 accepted. Of those, how many were rejected?

**LGen Stephen Kelsey:** Perhaps I'll begin, Chair, with the distinction between those who demonstrate interest in joining and those who are actually enrolled. In between there is the category of those who are given an offer.

One of the things we offered was to come to the defence committee and walk through all the numbers. I'll answer the question directly.

**Mrs. Cheryl Gallant:** Just what number of Canadians were rejected because of DEI? What number were rejected on that basis?

**LGen Stephen Kelsey:** I'll try to answer directly because you deserve that.

We focus on who gets enrolled, not necessarily on who clicks and shows interest. The vast majority of people.... The number I'm tracking is 42,528 applicants. Those are people who click and who show interest, but in fact, the enrolment is something much smaller. It's based on personal individual circumstance and based on our need. It could be health, although we're changing that. It could be—

**Mrs. Cheryl Gallant:** What number are we still short for the forces to be at full strength?

**LGen Stephen Kelsey:** For the regular force and the reserve, I'll give you three numbers, if that suits the chair.

**Mrs. Cheryl Gallant:** Okay.

**LGen Stephen Kelsey:** We've previously said that 71,500 is the authorized regular force strength. We are currently at 64,076. This includes people who are qualified and trained and people in the training system. We have 30,000 reserves, and 23,008 reserves are currently filling those seats.

**Mrs. Cheryl Gallant:** Amid the \$2.7 billion in cuts, how will the CSE cyber command be able to achieve the operational readiness to defend our country from cyber-attacks?

**Ms. Caroline Xavier:** Thank you for the question.

As CSE, we definitely stand to the ready, as we do every day, to defend Canada and Canadians' interests. In terms of the foreign cyber-operations and the cyber command that we have, that continues to do the role that it has on a daily basis. There are no direct cuts to those resources. On the contrary, the investments that we hope we get out of the supplementary (B)s include investments in the foreign cyber-operations, which will allow us to continue to do the defence of the country via our active cyber-operations and our defensive cyber-operations.

**Mrs. Cheryl Gallant:** Was our military impacted by Liminal Panda? The CrowdStrike group identified a recent hack. It affected U.S. state telecoms.

**Ms. Caroline Xavier:** Thank you for the question.

I will not comment directly on cyber-incidents. What I can tell you is that we are aware of various incidents that occur, including those that could potentially have impacts for our defence and CAF colleagues. We work very closely with them to ensure that we defend that. Because we have the ability to use our defensive cyber-operations, we're actually often able to thwart the attack prior to it reaching Canadian shores and deal with it in the cyberspace.

**Mrs. Cheryl Gallant:** In the Baltic region, they have had fibre cables cut. They're alleging that it was the Chinese, the Communists. Have any of those cut fibre optic cables been impacting Canada in any way?

**Ms. Caroline Xavier:** Again, for reasons of national security, I won't get into the level of detail you're seeking. Having said that, I can tell you that because of the close partnerships we have with the allies we work with, we as a nation continue to be well protected and do not have any concerns with regard to our cyber-protection.

**Mrs. Cheryl Gallant:** There were transfers out from defence spending in the amount of \$1.5 million to ACOA. I'm wondering how ACOA or these venture capital projects are helping or assisting the military.

**Ms. Stefanie Beck:** I'm happy to answer that.

**The Chair:** You have about 15 seconds.

**Ms. Stefanie Beck:** It's for a very specific initiative that's based in Halifax. Actually, that's where we will be on the weekend. I think some of you are coming too. COVE is the name of the initiative. It's a joint project for research and development in the Halifax area.

• (0955)

**The Chair:** Thank you, Mrs. Gallant.

Just as a point of clarification, Mrs. Gallant, you said \$27 billion in cuts. Did you mean \$2.7 billion?

**Mrs. Cheryl Gallant:** No, I said \$2.7 billion.

**The Chair:** Okay. I'd heard \$27 billion. I'm glad we clarified that point. Otherwise, we'd all be having heart attacks.

Ms. Lambropoulos, you have five minutes, please.

**Ms. Emmanuella Lambropoulos (Saint-Laurent, Lib.):** Thank you, Chair.

Thank you to our witnesses for staying on to answer some questions of ours.

We've spoken a bit about cyber already. As we know and we've heard several times on this committee, our adversaries are using cyber-attacks more and more. The threat is very real. You spoke to that a little bit. I know that there's \$49.1 million in these estimates. I'm wondering if you can speak a little bit to what improvements will be made in this area.

**Ms. Caroline Xavier:** Absolutely. The supplementary (B)s are providing us with \$58.9 million, which is the first tranche of the budget 2024 announcements that were made by the government, and \$49.1 million of that is directly for cyber-effects and cyber-power. It's to allow us to continue to do the work that we already have the workforce and the authorities to do.

That amount of money really is required, if voted on via the supplementary (B)s, to be able to allow us to continue to enhance the work we do to protect and defend Canada and Canadians against threats, continue to enhance our economic security, defend our democratic processes, advance Canada's interests on the world stage and support our allies and partners against these threats. It would not just allow us to continue to do what we do from a mandate perspective, but really to continue to be excellent partners in managing these threats.

**Ms. Emmanuella Lambropoulos:** In a way, if a party were to vote against these, it would put us more at risk of not being able to deal with cyber-threats. Would you agree?

**Ms. Caroline Xavier:** It is clear to say that this investment is an important one for us at the CSE because it does allow us to continue to enhance the skills and the people we're bringing in to do this work. The more that we're able to have, in terms of the tool kits and the people to do the job, the more it continues to make our job easier—for sure.

**Ms. Emmanuella Lambropoulos:** Thank you very much for that answer.

We did an entire study on procurement, and we heard from Canadian industry that they want to be part of Canada's plan and they want more collaboration between the government and industry. We have some very strong capabilities in Canada that could be used to our benefit. We recommended that there be stronger communication between industry and the government.

I know that there's also talk of a national aerospace strategy, among other things. I notice that there's \$202.1 million going towards a national procurement program. I'm wondering if you could speak to whether any of these funds would go to supporting these initiatives to enhance that communication between the two and to make sure that our industry is being included in a plan?

**Ms. Nancy Tremblay:** There is constant engagement between Canadian industry and defence, as Canadian industry is super important to supporting the equipment that is being used by the Canadian Armed Forces.

The \$202 million that we're asking for, as part of this supplementary estimate, is expected to go to the national procurement envelope, which is an envelope that is used to do maintenance on equipment, buy spare parts and do some engineering surveys and work. This is what this \$202 million would go towards—applied to multiple of the numerous fleets that we're supporting.

**Ms. Emmanuella Lambropoulos:** I'm hoping that, in the future, there is more funding that goes towards that collaboration and finding better ways to include industry. I know that they're already included, but I believe that there is a request on their part to get a little more feedback from the government.

Finally, I did notice that there were initiatives in these estimates to end or address gender-based violence within the forces. I'm wondering whether somebody could speak a little about that. I know it's \$1.5 million. What initiatives would these include?

• (1000)

**Mr. Jonathan Moor (Assistant Deputy Minister and Chief Financial Officer, Finance, Department of National Defence):** I'm happy to answer that question.

It is \$1.5 million in vote 1b, which is for personnel costs, with an additional \$9.4 million for statutory payments, which are around the employee benefit plan. It's to cover two specific areas. One is for responsive legal opinions, to provide legal opinions for victims, and that is \$1.1 million in this supplementary estimate. The other is to do prevention research, which is important, to identify training and tools to manage incidents as and when they occur. Those are the two elements that are being requested in these supplementary estimates (B).

**The Chair:** Thank you, Ms. Lambropoulos.

[*Translation*]

Ms. Normandin, you have two and a half minutes.

**Ms. Christine Normandin:** Thank you, Mr. Chair.

I'd like to pick up on Ms. Mathysen's line of questioning.

You said it was important to be transparent with the public and show the real numbers, but that makes me wonder whether we shouldn't be transparent with ourselves. I'm talking about what Philippe Lagassé told the committee on November 7. He said the department tended to be too optimistic in its projections. He attributed it to a culture of always wanting to move forward and not wanting to give direct or honest answers, especially to the Department of Finance. DND always wants budget approval, so it underestimates project costs and the project ends up going over budget. Alternatively, the project is split into two, meaning only part of the work is completed in the hope that funding will become available to do the rest of the work later.

Is it time for a change in approach? Is it time for a frank discussion about that?

**Ms. Stefanie Beck:** I think everyone wants to answer that.

One of the big problems with cost estimates is that they have to be done years ahead of time. Inevitably, the numbers have changed by the time we're ready to carry out the project. For example, sometimes we have to figure out the cost of a project that will be completed five years down the road. We base the estimates on the numbers we have at the time, but the numbers tend to change afterwards.

It would be helpful if we could provide a much rougher estimate and indicate, for instance, that the project was going to cost somewhere between  $x$  and  $y$  dollars. Once it came time to actually carry out the project, we could provide a much more exact number. That would help not only DND, but also our colleagues at the finance department and Treasury Board.

**Ms. Christine Normandin:** Still, doesn't the department chronically underestimate the cost of projects? Just take the procurement of the 15 naval warships as an example. The cost went from \$26 billion to \$100 billion. We're not talking about a small change.

That happens just about every time. Do you systematically take an overly optimistic approach so you can get approval?

**Ms. Stefanie Beck:** It's not to get approval, because we know that, down the line, we'll have to explain the change in cost.

I'm going to ask Ms. Tremblay to jump in because she is in the midst of examining exactly that. We are in negotiations. We can't provide any details, but we can explain how it works in theory.

[*English*]

**The Chair:** Unfortunately, Ms. Normandin is out of time. Ms. Mathysen might be interested.

Ms. Mathysen, you have two and a half minutes.

**Ms. Lindsay Mathysen:** Could CSE and DND answer?

Have you ever used, or are you currently using, Israeli surveillance technology, such as NSO Group's Pegasus or Cytron's Predator, and could you provide a list to the committee of all procurements from Israeli-owned firms?

**Ms. Caroline Xavier:** CSE does not generally comment when it comes to procurement contract details because of reasons of national security. Therefore, I'll leave it at that for now.

**LGen Stephen Kelsey:** I say yes to the provision of any lists of what you provided.

There have, in the past, been partnerships with Israeli firms, but these are for medium-range radars that we currently have in service. They were built in Saint-Jean, and I'll misname the prime that they partnered with. There are examples. As with many international industrial companies, we use their technological intellectual property to build in Canada.

**Ms. Lindsay Mathysen:** Considering the government said they will stop future uses of Israeli-built systems of that nature, in terms of the arms embargo, what changes are being made to deal with current equipment or future contracts?

• (1005)

**LGen Stephen Kelsey:** Chair, you deserve a specific answer to the question. I don't have one, but we will fulfill the obligation in the spirit of what the Government of Canada has directed. What I was just characterizing is a past procurement.

**Ms. Lindsay Mathysen:** If there is any further information you can provide to this committee on this question, going forward, I would appreciate that.

How much time do I have left?

**The Chair:** You have 30 seconds.

**Ms. Lindsay Mathysen:** Ms. Tremblay, would you like to answer?

**Ms. Nancy Tremblay:** Thank you very much.

[*Translation*]

I'm going to speak French, since this answers Ms. Normandin's question.

The optimistic approach at the beginning of the project is very much tied to the information available at the time and the information we get from industry. Bear in mind that the projects we undertake are quite complex, and we get more information as things progress. The estimate is based on the information we have at the beginning of the project, so it's not about trying to get approval.

DND has brought in an initiative to improve project timelines so that they better reflect the risks and their impact on the timeline.

[*English*]

**The Chair:** That is a very long 30 seconds.

Thank you.

**Ms. Stefanie Beck:** It's exciting.

**The Chair:** It is exciting.

I'm assuming Mr. Bezan has an exciting, five-minute question.

**Mr. James Bezan:** Thank you, Mr. Chair. I always do.

General Kelsey, your number on authorized strength reserves and regs combined is about 101,500. Current strength is sitting at just over 87,000 and change. The total shortfall is 14,400 thereabouts, which is down from the 15,500 we were roughly at a year ago.

Is that correct?

**LGen Stephen Kelsey:** Public math, Mr. Chair, is never my strength, but I'll agree because those are the numbers I used.

**Mr. James Bezan:** In the past, we've had General Eyre here. He also mentioned that, at one point, we had 10,000 troops who were undertrained and undeployable.

Out of the current strength of 87,000, do you know how many are undertrained and undeployable because they haven't been able to go through the proper schools for the trades they selected?

**LGen Stephen Kelsey:** That's the difference, Chair, between the trained effective strength and the trained effective establishment.

As of today, that number is 11,320. These are people in the training pipeline, people who could be on maternity or paternity leave or people who have medical conditions that don't allow them to deploy. That's the regular force, reserves.... I didn't mention Rangers. Of course, there are 4,848 Canadian Rangers.

**Mr. James Bezan:** Rangers are almost at full strength, I would think.

**LGen Stephen Kelsey:** Generally speaking.

There are different standards, but, yes, they're at full strength.

**Mr. James Bezan:** With those 11,320—for those who are undertrained, not those who are on leave because of various reasons—how are we going to get them trained more quickly so that we can increase our overall readiness?

**LGen Stephen Kelsey:** That is the key question. General Carignan is chairing a new business transformation meeting herself to undertake understanding that.

First, I'll address the recruiting and then I'll address your specific question about the pipeline, because it affects all services.

Recruiting transformation includes changing how we get people through the door. We're not lowering standards; we're lowering barriers. We're redesigning security clearance processes—not the standard but the processes. We're undertaking the medical, which I know this committee discussed before, to make it closer to Canadian standards. We're making Canadians safe, but we're getting them in the door more quickly. There's also the aptitude testing. We made changes in October, and we're already seeing results related to those.

As the question points out, it's not just about getting them in the door and in basic training. It's about each of the services being able to adapt to this greater load. Because of the state of the gaps in the number of people we have, we have to make a choice between pulling people from line units—readiness—into training institutions by the air force, navy and army....

It's a very complex system of systems, but it's the strategic discussion that General Carignan is leading.

**Mr. James Bezan:** I appreciate it.

I have quite a few other questions.

In the supplementary estimates, is there any restoration of funding for cadets? We know it's been reduced from \$240 million down to \$200 million.

Are we fixing that delta and increasing funding for our cadet program?

• (1010)

**Ms. Stefanie Beck:** Not in supplementary estimates (B).

**Mr. James Bezan:** I understand, talking to industry, that the innovation solutions Canada program has failed to follow up in confirming contracts with companies that are doing drone testing and targets and making pyrotechnics to train our troops, as well as our allies.

Are those programs going to be restored so that Canadian industry can have confidence it can follow through on the development of new technology to help our training?

**Ms. Stefanie Beck:** Thank you for the question.

I'd need to know more details about exactly which companies you're talking about. As you may know, this is a shared program between multiple government departments, so it also might not be us.

I will say we have not found it to be a very satisfactory program either. We share some of the concerns of businesses as well. It is very much a developmental innovation kind of program, as opposed to what's really needed by industry. In the defence industrial strategy, we can address something more along the lines of how you get this market and scale up.

**Mr. James Bezan:** In the supplementary estimates, are there dollars to start investing in upgrading our wings to deal with the security challenges in receiving F-35s and P-8s, which we will start getting in 2026?

**Ms. Nancy Tremblay:** In the supplementary estimates, there is \$561 million for the P-8s.

**Mr. James Bezan:** Does that fix the infrastructure, cybersecurity and physical security that we need for our wings to receive the P-8s?

That's just going into the airframe. That doesn't help us with the security challenges we have on the ground to receive the aircraft.

**Ms. Nancy Tremblay:** Bringing the P-8 within the Canadian Armed Forces.... There is a requirement to address the whole capability, which includes infrastructure training. It goes against equipment infrastructure training.

**The Chair:** Thank you very much.

I'll ask just a couple of questions myself.

I'll address this to Deputy Minister Beck. To start, \$3.3 billion is a lot of dough. It's a lot of money, particularly, for supplementary estimates. Does this move the 2% needle at all?

**Ms. Stefanie Beck:** Yes, it will. This will get us up from about \$30 billion of annual spending to just over \$34 billion. Yes, it is part of the path to get us to the full 2% by 2032.

**The Chair:** If you weren't presenting these supplementary estimates, presumably you wouldn't be moving the needle. I'd be interested in knowing, in percentage terms, how much the needle gets moved by the passing of these supplemental estimates.

**Ms. Stefanie Beck:** I'll pass it to Jonathan.

**Mr. Jonathan Moor:** We are on pathway to 1.74%. This will move the needle, as the deputy minister said. Also, there are a large number of funding sources through ONSAF, which have not yet been brought forward in supplementary estimates. We are proposing to bring forward a supplementary estimate (C), which will bring forward some of those items, in particular ammunition.

**The Chair:** Does this constitute an accelerating path from what is either in the DPU or was currently in the public domain?

**Mr. Jonathan Moor:** The \$3.3 billion is basically a 10.5% increase into our overall budget. It is definitely heading in the direction of the path towards 2%.

**The Chair:** Thank you.

**Ms. Caroline Xavier:** Mr. Chair, if I could add, it's just worth noting that any budget that's invested in CSE goes fully towards the 2%. The supplementary estimate money that is with CSE will be part of that 2%.

**The Chair:** You have a weird kind of funding source, because you're also associated with public safety.

No...? Okay.

**Ms. Caroline Xavier:** No, we're totally under the defence portfolio.

**Mrs. Marie-France Lalonde:** No, they're completely different.

**The Chair:** What about financing-wise, the reporting line?

**Ms. Caroline Xavier:** No, we totally report to the Minister of National Defence, Mr. Chair.

• (1015)

**The Chair:** I will stand corrected for the time being.

You have indicated that you are moving personnel into Taiwan—I think that is correct. Taiwan is clearly a world leader in dealing with misinformation and disinformation.

What, if anything, can you say, in the context of the Indo-Pacific strategy, about your potentially increased presence in Taiwan?

**Ms. Caroline Xavier:** Mr. Chair, I don't know if that question was directed at me, but what I can say is that I do not have any personnel who will be moving into Taiwan. We are definitely working towards implementing the Indo-Pacific strategy. With that we received some funding, which is part of our base now. We will be placing people in the region to support the implementation of the strategy. We work with partners and multilateral partners as well from the region, in addition to the Five Eyes, to continue to ensure that we defend Canadian interests as well as the priorities of the government when it comes to the Indo-Pacific strategy.

**The Chair:** Mr. Bezan and I travelled to Taiwan, what, a year and a half ago?

**Mr. James Bezan:** As well as Cheryl, Lindsay and Christine... Half of us were there.

**The Chair:** That's right.

Okay. It was everybody.

**Mrs. Marie-France Lalonde:** All the opposition....

**The Chair:** I think that all of us were really impressed by the way the Taiwanese handled this constant barrage of misinformation and disinformation, primarily emanating from Beijing. I would be encouraged if CSE and our other cyber folks had some close working relationship with the way Taiwan does things.

I've run out of time, my goodness.

**Mrs. Cheryl Gallant:** You had some good questions, Mr. Chair.

**The Chair:** Yes. Well, you know, when you're the chair you have to ask the questions the opposition should have asked.

**Some hon. members:** Oh, oh!

**Mrs. Cheryl Gallant:** That's the last time I pay you a compliment.

**The Chair:** First of all, may I thank you for your presence here. I like the state of the working relationship among the committee, the department and CAF. I hope we continue to enhance it. I'm looking forward to some off-line discussions as well with all of you.

With that, before we leave, we have to do some formal stuff.

**Mr. James Bezan:** If it's on the supplementary estimates, we just received these on Monday. I'm not prepared to take the vote on them. We do need to consult with others on the supplementary estimates.

**The Chair:** I'm still going to call it.

**Mr. James Bezan:** You have until December 10. There shouldn't be a rush on this.

**The Chair:** Some might disagree with your view as to whether there should or shouldn't be a rush.

**Mr. James Bezan:** The rules are that December 10 is when they're going to get reported back to the House—

**The Chair:** I can call the vote at any time, and I'm calling the vote on the estimates.

**Mr. James Bezan:** That's not called fair or prudent.

**Mrs. Cheryl Gallant:** I have a point of order, Mr. Chairman.

**The Chair:** If it is a point of order, go ahead.

**Mrs. Cheryl Gallant:** This is the first time in nine years that we've actually had the minister in before the estimates were voted on, so to what do we owe this sudden rush to get it done?

**Mr. James Bezan:** Yes, I'm wondering what the game is coming from the Liberals?

**The Chair:** That's not a point of order.

The minister is here. The staff are here, and we are discussing—

**Mr. Philip Lawrence (Northumberland—Peterborough South, CPC):** Mr. Chair, I have a point of order.

**The Chair:** Okay. We have two points of order.

**Mr. Philip Lawrence:** Could you just clarify whether this vote is dilatory? Is there debate allowed prior to the vote?

**The Chair:** No.... Well, I'll correct myself.

**The Clerk of the Committee (Mr. Andrew Wilson):** It's not strictly dilatory. It is its own motion.

**Mr. Philip Lawrence:** Then I feel like talking.

**The Chair:** Go ahead, Ms. Normandin.

[*Translation*]

**Ms. Christine Normandin:** Since we are probably going to have discussions that will not involve the witnesses, can we let them take their leave?

[*English*]

**The Chair:** We can certainly release the witnesses. There's no question about that.

Okay, I called the vote, and apparently there are those who wish to debate it. Apparently it is not a dilatory motion, although it seems....

● (1020)

**The Clerk:** It is debatable and amendable.

**Mr. Philip Lawrence:** Thank you, Mr. Chair, and thank you for allowing me to be a guest at this important meeting and this very important committee.

My challenge with the supplementary estimates is that clearly there is a political game afoot here, and the Liberals are trying to push their agenda over what's right for democracy. I mean, I haven't been around as long as you, Mr. Chair, but in my five years I've never seen supplementary estimates sort of shoved down the throat of a committee as is happening.

It's my belief that it's our obligation as parliamentarians to do our job. In the supplementary estimates—as you said, and rightfully so, Mr. Chair—there is a great deal of money being asked for. It might very well be that all this money is extremely well spent, but to just have a vote at the end of a meeting where obviously the the focus of the opposition, and probably all parties, was our discussion with the minister and we have no time—

**Ms. Lindsay Mathysen:** I hate to interrupt you. I'm so sorry, but I'm wondering about resources for this committee. We are already over time, and I know that some of us have other things that we need to get done. I'm just wondering if we are going to continue on with this or if there will be a hard stop.

**The Chair:** If there's a motion to adjourn, we can adjourn.

**Ms. Lindsay Mathysen:** Then I would like to adjourn because I need to get to my other things.

**The Chair:** That's a dilatory motion. Are there any objections to adjourning?

The meeting is adjourned.

---









Published under the authority of the Speaker of  
the House of Commons

---

### SPEAKER'S PERMISSION

---

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

---

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

Publié en conformité de l'autorité  
du Président de la Chambre des communes

---

### PERMISSION DU PRÉSIDENT

---

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

---

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :  
<https://www.noscommunes.ca>