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CANADIAN ARMED FORCES | FORCES ARMÉES CANADIENNES

Department of National Defence and the Canadian Armed Forces

2025-26 Departmental Results Report

The Honourable David J. McGuinty, P.C., M.P.

Minister of National Defence

Canada

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Department of National Defence and the Canadian Armed Forces 2025-26 Departmental Results Report

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At a glance

This departmental results report details the Department of National Defence and the Canadian Armed Forces actual accomplishments against the plans, priorities and expected results outlined in its 2025–26 Departmental Plan.

These results align with the priorities outlined in the 21 May 2025 mandate letter from the Prime Minister, as well as with the Department of National Defence and the Canadian Armed Forces vision, mission, raison d'être and operating context.

Strategic operating context

While the nature and trajectory of global threats continue to evolve and remain inherently uncertain, the global security environment facing Canada has deteriorated significantly. Climate change, evolving technologies and sustained challenges to strategic competition have increased the pace, complexity, and unpredictability of conflict. Conflicts in Europe and the Middle East, disruption to global trade, and intensifying strategic competition have challenged long-held assumptions about the international order and exposed vulnerabilities in global supply chains and alliance resilience. In this context, Canada's security and prosperity depend on its ability to defend its sovereignty and contribute meaningfully to collective security.

In response to this environment, the Government of Canada accelerated defence spending in fiscal year (FY) 2025-26 at an unprecedented scale to rebuild, rearm, and reinvest in the Canadian Armed Forces (CAF). As a result, Canada achieved the North Atlantic Treaty Organization's (NATO) benchmark of spending 2% of gross domestic product (GDP) on defence in FY 2025-26, ahead of previous timelines, reinforcing its role as a committed and credible Ally. These investments also strengthened Canada's contribution to NATO's collective defence posture, including support to multinational operations, capability development, and enhanced readiness across the Alliance.

Beyond defence and security outcomes, these investments also advance broader Government of Canada objectives by strengthening domestic industry, supporting skilled employment, driving innovation, and improving long-term economic resilience. Major procurement, infrastructure, and industrial initiatives are reinforcing Canadian supply chains and industrial capacity, while positioning Canada to meet Alliance obligations and protect its sovereignty in an increasingly contested world.

Key priorities

The Department of National Defence and the Canadian Armed Forces identified the following key priorities for 2025-26:

- Operations and Readiness;
- Rebuilding;
- Culture Evolution;
- Modernization; and
- Stewardship and Compliance.

Highlights

In FY 2025-26, Canada advanced its defence commitments and strengthened its contributions to NATO collective defence, through assessed contributions and targeted investments supporting Alliance operations, infrastructure, and capability development. These efforts enhanced interoperability, reinforced collective defence, and supported the readiness of NATO forces in an increasingly complex security environment.

- **NATO Military Budget.** Canada's contribution enabled the operation of the Alliance's integrated command structure and key enabling capabilities, including command and control systems, airborne early warning, and intelligence, surveillance and reconnaissance assets. Funding also supported NATO operations and missions involving the CAF, contributing directly to Alliance readiness and effectiveness.
- **NATO Security Investment.** Through this Program, Canada funded essential infrastructure required for NATO's operational readiness, including airfields, fuel systems, command and control networks, and surveillance capabilities. These investments strengthened long term capability development and ensured the resilience of critical support networks required for collective defence.
- **NATO Multinational Capabilities.** Canada supported a wide range of multinational initiatives that enhance interoperability and specialized capabilities across the Alliance including Centres of Excellence, deployable headquarters, logistics organizations, and other collaborative programs that improve NATO's ability to operate effectively in complex environments. Within this context, the Department of National Defence (DND) and the CAF focused on strengthening the foundations of a modern, adaptable, and ready force. Key areas of progress included improving military recruitment and retention, strengthening the sustainment of critical fleets, advancing major capital and infrastructure projects and enhancing continental defence and Arctic capabilities. Efforts to modernize digital systems and improve institutional processes supported more timely and responsive delivery of defence capabilities. Together, these results strengthened operational readiness and resilience, while advancing capabilities to build the future force required to meet evolving threats in an increasingly contested global environment.

In FY 2025-26, DND spending reached $47.8 billion, compared to the initial planning figure of approximately $35.7 billion. This increase reflects accelerated and targeted investments to recapitalize the CAF and progress to meet Canada's NATO commitment to spend 2% of GDP on defence, as well as the transfer of the Canadian Coast Guard under DND's portfolio.

- Total actual spending (including internal services): $47,799,781,227
- Total full-time equivalent staff (including internal services): 104,040

For detailed information on the Department of National Defence and Canadian Armed Forces total spending and human resources, read the Spending and human resources of this report.

Summary of results

The following provides a summary of the results the department achieved in 2025-26 under its main areas of activity, called "core responsibilities."

Core responsibility 1: Operations

Actual spending: $4,606,939,842
Actual human resources: 3,624

In FY 2025-26, the CAF delivered concurrent domestic, continental, and international operations in support of Canada's defence and security priorities, while sustaining effective command and control, despite operational pressures.

The CAF maintained a persistent year-round presence in the Arctic and North, supported by the Canadian Rangers, multi-season operations, and continued progress on Northern infrastructure, reinforcing sovereignty and readiness.

Domestically, the CAF supported civil authorities during Canada's second-worst wildfire season on record through multiple Operation LENTUS deployments. Additional support was provided to federal and provincial partners, including to security operations for the 2025 G7 Leaders' Summit and assistance to law enforcement and border agencies.

Search and rescue (SAR) activity remained high with over 8,000 incidents coordinated nationwide. Operations were supported by strengthened interagency partnerships and the introduction of the CC-295 Kingfisher aircraft into operational service, enhancing SAR capability and responsiveness.

The CAF maintained uninterrupted aerospace and maritime warning in the defence of Canada and North America, working in close coordination with the North American Aerospace Defense Command (NORAD), the United States Northern Command, and international stakeholders to detect, deter, and respond to emerging threats.

Internationally, the CAF maintained contributions to the NATO deterrence efforts, continued to support Ukraine through Operation UNIFIER, and maintained a forward presence in the Indo-Pacific. The CAF also conducted sanctions enforcement, counter-narcotics, and humanitarian operations through other missions in support of broader Government of Canada objectives.

Collectively, these efforts demonstrated the CAF's ability to sustain integrated effects across multiple theatres while supporting domestic resilience, continental defence, and international commitments.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 1: Operations, read the "Results: What we achieved" section of this report.

Core responsibility 2: Ready Forces

Actual spending: $14,578,992,482
Actual human resources: 43,293

In FY 2025-26, Defence advanced military readiness to support the CAF's ability to execute concurrent missions at home and abroad. Persistent personnel and equipment shortfalls continued to affect overall force readiness; however, prioritization of efforts within constraints along with targeted investments improved readiness for the CAF's core concurrent mission set.

Defence also strengthened how readiness is planned, forecasted, and generated by expanding data-driven and evidence-based approaches to decision-making and resource allocation. These efforts improved alignment between strategic direction, force generation, and operational outputs.

In parallel, digital transformation initiatives enhanced coordination across the Defence Team and accelerated decision-making related to readiness management. The CAF conducted training and readiness activities across domestic, continental, and international environments, in collaboration with government partners, allies, and partner nations, to maintain interoperability and reinforce joint and combined operational readiness.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 2: Ready Forces, read the "Results: What we achieved" section of this report.

Core responsibility 3: Defence Team

Actual spending: $5,348,603,410
Actual human resources: 22,668

In FY 2025-26, Defence advanced recruitment and retention through targeted compensation and benefits measures, supported by Budget 2025 investments and aligned with Our North, Strong and Free. Enhancements to pay, allowances, and career incentives, alongside continued modernization of recruitment processes and personnel management, strengthened the CAF's ability to attract and retain talent in a highly competitive labour market.

These measures contributed to measurable gains in force generation. The CAF continued progress towards its target of 101,500 personnel enrolling 7,310 Regular Force members, exceeding the planned target of 6,957 and building on strong results in FY 2024-25, when enrolment targets were also surpassed.

At the same time, Defence continued to address persistent retention challenges, including early-career attrition and shortages in critical occupations. Expanded incentives, improved training and career progression pathways, and initiatives aimed at strengthening member experience and institutional culture supported the rebuilding of a more modern, resilient, and sustainable force.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 3: Defence Team, read the "Results: What we achieved" section of this report.

Core responsibility 4: Future Force Design

Actual spending: $1,398,621,576
Actual human resources: 2,085

In FY 2025-26, DND/CAF strengthened its approach to future force design by advancing a shared understanding of the future operating environment in collaboration with allies and partners. The publication of the first capstone military concept established a common framework for Force Development and Design, improving alignment across the Defence Team and informing future capability planning.

In parallel, Defence advanced science, technology, and innovation to strengthen defence readiness, resilience, and ability to address emerging threats. Targeted investments delivered operationally relevant research and innovation aligned with *Our North, Strong and Free* and Canada's Defence Industrial Strategy, while efforts to accelerate the transition of innovation to operations were expanded through key Programs, including Innovation for Defence Excellence and Security, and NATO's Defence Innovation Accelerator for the North Atlantic.

The establishment of new research and innovation structures, including the Bureau of Research, Engineering and Advanced Leadership in Innovation and Science and Defence Innovation Secure Hubs, combined with collaboration with allies, Indigenous partners, industry, academia, and other government departments, strengthened the Defence Team's ability to develop and integrate new capabilities. Collectively, these efforts improved the foundations for future capability development and enhanced the CAF's ability to adapt to evolving operational requirements.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 4: Future Force Design, read the "Results: What we achieved" section of this report.

Core responsibility 5: Procurement of Capabilities

Actual spending: $12,480,883,081
Actual human resources: 3,483

In FY 2025-26, Defence advanced the delivery of equipment and capabilities in support of Canada's defence policy commitments under *Strong, Secure, Engaged* and *Our North, Strong and Free*. Efforts focused on balancing near-term operational requirements with long-term capability development while adapting to evolving priorities, including increased emphasis on domestic industrial participation and supply chain resilience.

Procurement processes were further modernized through expanded use of risk-based contract approvals and increased contracting authorities, enabling more timely progression of lower-risk procurements. Procurement strategies increasingly incorporated broader considerations such as economic benefits to Canada and long-term sustainment requirements.

Despite a complex operating context, including global supply chain disruptions, inflationary pressures, and constrained industrial capacity, additional funding and strengthened engagement with industry partners enabled the advancement of priority procurements and sustainment activities. These efforts supported improved delivery momentum and contributed to reinforcing Canada's defence industrial base.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 5: Procurement of Capabilities, read the "Results: What we achieved" section of this report.

Core responsibility 6: Sustainable Bases, Information Technology Systems and Infrastructure

Actual spending: $5,694,362,067
Actual human resources: 16,674

In FY 2025-26, Defence advanced infrastructure renewal, housing, and sustainability through targeted investment and portfolio management. Over 150 infrastructure projects were completed across bases and wings, supporting training, utilities renewal, and readiness. Major capital investments have progressed in support of NORAD modernization, the future fighter fleet, naval training, and special operations. Planning for Northern infrastructure advanced with the completion of the draft North Regional Major Real Property Development Plan, supported by targeted investments in enabling municipal infrastructure.

Portfolio and housing modernization continued, with planned divestments completed and workplace rationalization progressing in the National Capital Region. The Residential Portfolio Capital Investment Program advanced through new construction, renovations, and acquisitions, improving housing capacity and condition.

Defence information technology systems continued to underpin effective command, control, and decision-making across the CAF. Progress towards a modern, secure, and resilient digital foundation included improved enterprise integration, enhanced information sharing with domestic and allied partners, and continued development of joint command and control information systems.

Digital infrastructure modernization advanced through expanded cloud capabilities, improved connectivity, and strengthened enterprise services, reducing risk and supporting operational continuity. Collectively, these efforts improved the resilience and effectiveness of Defence infrastructure and digital systems, supporting force readiness and enabling operations across all domains.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 6: Sustainable Bases, Information Technology Systems and Infrastructure, read the "Results: What we achieved" section of this report.

Core responsibility 7: Marine Navigation

Actual spending: $202,231,048
Actual human resources: 1,435

In FY 2025-26, the Canadian Coast Guard (CCG) advanced marine navigation to support safe navigation, efficient marine transportation, and reliable access to Canada's waterways. Efforts focused on modernizing navigation services to align with international standards and expanding digital tools that provide mariners with timely and accurate information. These improvements reduced navigational risk, enhanced situational awareness, and supported the safe movement of vessels across Canada's waters.

Working closely with federal partners, industry, coastal communities, and Indigenous partners, the CCG advanced key digital navigation initiatives, including electronic navigation services, a national navigation information portal, and a digital-first Notice to Mariners. Investments in modern traffic management and monitoring systems also improved marine domain awareness and the coordination of vessel movements.

The CCG maintained critical navigational services supporting safe and accessible waterways, including those essential for Canada's economy and northern resupply. Ongoing engagement with Indigenous partners and coastal communities contributed to more inclusive and responsive navigation services, including in Arctic regions. Collectively, these efforts strengthened the safety, efficiency, and reliability of Canada's marine navigation system.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 7:Marine Navigation, read the "Results: What we achieved" section of this report.

Core responsibility 8: Marine Operations and Response

Actual spending: $1,829,864,415
Actual human resources: 4,832

In FY 2025-26, the CCG strengthened its capacity to respond to on-water incidents to protect people, the environment, and Canada's waterways. Through operational readiness, skilled personnel, modern response systems, and partnerships with Indigenous and coastal communities, the CCG maintained a national capability to respond effectively to search and rescue incidents, marine pollution, hazardous vessels, and maritime safety and security requirements.

The CCG advanced initiatives under the renewed Oceans Protection Plan to reinforce the polluter-pay principle, improve incident management, and expand community-based response capacity. Enhanced tools and processes supported enforcement and cost recovery, while expanded engagement with coastal and Arctic communities improved coordination, communication, and information-sharing from initial notification through incident close-out.

At the same time, the CCG continued to build a more resilient civilian fleet to meet established service standards. Fleet renewal and life-extension work progressed to sustain operations during periods of high demand, supported by expanded training and readiness initiatives. Engagement with Indigenous partners was further strengthened through support to community-led response capacity, increased participation in marine operations and planning, and continued advancement of collaborative governance approaches across regions. Collectively, these efforts strengthened Canada's ability to respond to marine incidents and sustain safe, effective maritime operations.

For more information on the Department of National Defence and the Canadian Armed Forces activities related to Core responsibility 8: Marine Operations and Response, read the "Results: What we achieved" section of this report.

From the Minister



The Honourable
David J. McGuinty
Minister of National Defence

As Minister of National Defence, I am pleased to present the Departmental Results Report for 2025-26. This report gives Canadians and Parliament a clear look at how our military and civilian members of the Defence Team delivered results during a year marked by growing global instability, heightened strategic competition, and increasing demands on Canada's defence and security institutions.

Meeting Our NATO Commitments

This year, Canada reached a major milestone by achieving the North Atlantic Treaty Organization (NATO) target of investing 2% of our gross domestic product (GDP) in defence. Backed by more than $9 billion in new funding, these investments are helping us rebuild, rearm, and reinvest in the Canadian Armed Forces (CAF). Achieving this goal also puts Canada on a clear path to meet NATO's next long-term target of 5% of GDP by 2035.

Boosting CAF Capabilities and Readiness through Canadian Industry and Technology

In 2025-26, we launched Canada's first-ever Defence Industrial Strategy to boost domestic military production, prioritize Canadian suppliers, and create jobs. To support this effort, we created the new Defence Investment Agency to cut red tape, speed up military procurement, and work closer with the technology industry. We advanced critical projects in artificial intelligence, cybersecurity, surveillance, and digital command systems to keep our troops equipped for modern threats. We accelerated the delivery of key capabilities through major investments in long-range precision strike systems, Arctic mobility, logistics modernization, naval renewal, and ammunition production capacity, supporting the CAF in remaining ready, resilient, and equipped to operate across all military domains.

Protecting the Arctic and the North

We took major steps to defend our northern borders and protect Canadian sovereignty. We advanced significant upgrades to our northern surveillance and infrastructure under Canada's North American Aerospace Defense Command Modernization Plan, which is the largest investment in continental defence in a generation. As part of this effort, we partnered with Australia to develop an advanced Over-the-Horizon Radar system to better spot threats approaching our northern airspace and waters.

We funded new northern operational hubs to help the military deploy and sustain operations in the Arctic, a process we are undertaking in close collaboration with Indigenous partners and northern communities. We advanced infrastructure, mobility, and surveillance projects that strengthen Canada's ability to detect, deter, and respond to threats in the North while reinforcing our sovereignty and contribution to continental defence. Maritime security grew stronger in September 2025 when the Canadian Coast Guard officially joined the Department of National Defence.

Global Operations and Security

Canada remains deeply committed to working with our international allies to support global stability. We extended Operation REASSURANCE for three years to continue leading the NATO Multinational Brigade in Latvia, and we extended Operation UNIFIER to 2029 to keep training Ukrainian forces. We also expanded military assistance to Ukraine and continued working closely with Allies and partners to strengthen collective defence, build capacity, and respond to emerging security challenges. Beyond Europe, we launched Operation AMARNA to coordinate with partners in the Middle East, and we deployed naval and air forces under Operation HORIZON to support security in the Indo-Pacific region.

Supporting Our People

Our progress is only possible because of the dedication of the people who serve in the CAF. In 2025-26, we introduced the largest increase in military compensation and benefits in a generation, including pensionable increases that took effect on 1 April 2025. We modernized how we recruit new CAF members, expanded training capacity, and invested in the infrastructure and support systems needed to grow our forces and improve military readiness. We also continued our ongoing work to build a respectful, safe, and inclusive workplace for everyone on the Defence Team.

The achievements highlighted in this report reflect the dedication and professionalism of the Defence Team. Together, these investments and initiatives are strengthening Canada's security, protecting our sovereignty, and enabling the CAF to meet the challenges of today and tomorrow.

The Honourable David J. McGuinty, P.C., M.P.

Minister of National Defence

Results: What we achieved

Core responsibilities and internal services

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Core responsibility 1: Operations

In this section

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Description

Detect, deter and defend against threats to or attacks on Canada. Assist civil authorities and law enforcement, including counter-terrorism, in support of national security, domestic disasters or major emergencies, and conduct search and rescue operations.

Detect, deter and defend against threats to or attacks on North America in partnership with the United States, including through NORAD. Lead and/or contribute forces to NATO and coalition efforts to deter and defeat adversaries, including terrorists, to support global stability.

Lead and/or contribute to international peace operations and stabilization missions with the United Nations, NATO, and other multilateral partners. Engage in capacity building to support the security of other nations and their ability to contribute to security and the security of Canadians abroad. Assist civil authorities and non-governmental partners in responding to international and domestic disasters or major emergencies.



Image 1: Operation LENTUS – Newfoundland

Personnel from Joint Task Force Atlantic's Immediate Response Unit assist with Type III wildland firefighting efforts in Newfoundland as part of Operation LENTUS 25-26. Their deployment follows a Request for Assistance, aimed at supporting the province's wildfire response operations.

Photo: Corporal Terry Day, Canadian Armed Forces.

Quality of life impacts

This core responsibility contributes to the Good Governance domain of the Quality of Life Framework for Canada, specifically supporting the 'Democracy and institutions' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 1: Operations.

Table 1.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Canadians are protected against threats to and attacks on Canada' in the last three fiscal years.

Table 1.1: Canadians are protected against threats to and attacks on Canada

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of requests for assistance that are fulfilled	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%
% of force elements that are deployed within established timelines	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%
% of stated objectives met by domestic operations	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%
Extent to which the Canadian Armed Forces is effective in domestic operations	The Canadian Armed Forces is effective in the conduct of domestic operations	March 2026	2023-24: Target achieved 2024-25: Target achieved 2025-26: Target achieved

Table 1.2 shows the target, the date to achieve the target and the actual result for each indicator under 'People in distress receive effective search and rescue response' in the last three fiscal years.

Table 1.2: People in distress receive effective search and rescue response

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of coordinated maritime, aeronautical and joint response to search and rescue incidents deemed effective	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%
% of requests for Canadian Armed Forces aeronautical search and rescue assistance that are fulfilled	100%	March 2026	2023-24: 99% 2024-25: 99% 2025-26: 100%
% of Canadian Armed Forces aeronautical search and rescue operations that meet established standards	100%	March 2026	2023-24: 95% 2024-25: 93% 2025-26: 96%[1]

[1] Response times varied due to refueling requirements for long-duration missions, mission-driven delays, and aircraft serviceability factors. Search and Rescue (SAR) coordinators used all available resources to ensure responses were timely, effective, and well-coordinated, or transferred to the appropriate agency. Of 534 SAR taskings, 512 met the response timeline.

Table 1.3 shows the target, the date to achieve the target and the actual result for each indicator under 'Canada's Arctic sovereignty is preserved and safeguarded' in the last three fiscal years.

Table 1.3: Canada's Arctic sovereignty is preserved and safeguarded

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of stated objectives met by Arctic operations and exercises	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%

Table 1.4 shows the target, the date to achieve the target and the actual result for each indicator under 'North America is defended against threats and attack' in the last three fiscal years.

Table 1.4: North America is defended against threats and attacks

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of stated objectives met by continental operations	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%
% of Canada's commitments and obligations to the North American Aerospace Defense Command agreement that are met	100%	March 2026	2023-24: 92.8% 2024-25: 94.7% 2025-26: 89.3%[1]
Extent to which the Canadian Armed Forces is effective in continental operations	The Canadian Armed Forces is effective in the conduct of continental operations	March 2026	2023-24: Target achieved 2024-25: Target achieved 2025-26: Target achieved

[1] The target was not met due to several factors, including maintenance and weather affecting sortie success rates, communications reliability, and staffing levels below requirements. However, NORAD inspections resulted in an overall Mission Ready rating. The observed decrease from FY 2024-25 may be partially explained by internal reporting limitations and classified factors that restrict detailed analysis.

Table 1.5 shows the target, the date to achieve the target and the actual result for each indicator under 'Canadian Armed Forces contribute to a more stable and peaceful world' in the last three fiscal years.

Table 1.5: Canadian Armed Forces contribute to a more stable and peaceful world

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of stated objectives met by international operations	100%	March 2026	2023-24: 98% 2024-25: 100% 2025-26: 91%[1]
Extent to which the Canadian Armed Forces is effective in international operations	The Canadian Armed Forces is effective in the conduct of international operations	March 2026	2023-24: Target achieved 2024-25: Target achieved 2025-26: Target achieved

[1]Of the 75 international objectives measured, most operations met their targets. The overall target was not achieved due to a rapidly changing geopolitical environment, requiring the CAF to reallocate logistical resources across operations to deliver on critical objectives and effects.

Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Operations in 2025-26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Canadians are protected against threats to and attacks on Canada

Results Achieved

The defence of Canada and Canadians remained the Canadian Armed Forces (CAF) top priority in fiscal year (FY) 2025-26. The CAF maintained surveillance of Canada's approaches, supported civil authorities during major emergencies, and strengthened the capabilities required to detect, deter, and respond to threats, through domestic operations and enabling support from across the Defence Team.

Monitoring and Detecting Threats

Through Operation LIMPID, the CAF continued to monitor Canada's air, maritime, land, space, and cyber domains to detect threats to national security as early as possible. This provided situational awareness to support Government of Canada decision-making, reinforced Canadian sovereignty, and contributed to the defence of North America.

Responding to Domestic Emergencies

The CAF also responded to significant domestic emergencies through Operation LENTUS during Canada's second-worst wildfire year on record. Approximately 8.9 million hectares burned across the country, driving increased requests for military assistance and placing significant pressure on

CAF resources and readiness. Despite these demands, the CAF continued to support civil authorities across multiple regions.

Infographic 1: Operation LENTUS, Responding to Domestic Emergencies



Key activities included:

- Deploying over 170 CAF members to evacuate 3,800 people from Norway House, Cross Lake, and Pukatawagan, Manitoba;
- Deploying more than 70 CAF members to support the evacuation of Sandy Lake First Nation, Ontario, airlifting more than 1,400 people;
- Deploying more than 60 CAF members to assist in the evacuation of more than 1,570 people from Garden Hill First Nation, Manitoba;
- Deploying more than 100 CAF members to support wildfire suppression in Newfoundland and Labrador; and
- Providing Type 3 firefighting capabilities and rotary-wing support in northern Saskatchewan.

Supporting National Security and Major Events

The CAF supported domestic security operations through Operation CADENCE, contributing to the Royal Canadian Mounted Police (RCMP) security effort for the 2025 G7 Leaders' Summit in Kananaskis, Alberta. The successful four-day event was supported by extensive CAF planning, training, and coordination, demonstrating the readiness and adaptability required to support a major international event hosted in Canada.

The CAF also supported federal partners during the Royal Visit of His Majesty King Charles III and provided infrastructure and logistical support to the RCMP and the Canada Border Services Agency through Operation LONGITUDE and the National Border Integrity Program.

Strategic Situational Awareness and Intelligence Support

Defence supported Government of Canada decision-making during ongoing and emerging domestic crises by delivering strategic situational awareness, analysis, military advice, and response options. This enabled coordinated government action and supported the timely provision of direction and authorities. Defence also provided counterintelligence and all-source intelligence support to protect the Department of National Defence (DND)/CAF interests in Canada. Drawing on sovereign and allied intelligence collection, Defence identified and assessed threats from external actors and delivered timely intelligence to senior DND/CAF leaders and other government departments to support informed decision-making.

Strengthening Cyber Resilience and Operational Readiness

Defence strengthened cyber resilience and operational readiness to help protect Canada and the CAF from evolving cyber threats. Cyber mission assurance activities helped ensure that adversarial activity in cyberspace did not compromise military operations or critical defence infrastructure or affect the CAF's ability to support domestic and international operations.

During FY 2025-26, Defence developed a CAF Cyber Mission Assurance Strategy and advanced Defence Administrative Orders and Directives to clarify authorities and responsibilities and to support cyber resilience across operations.

Key activities included:

- Strengthening cyber resilience during Operation HORIZON through focused activities and training that supported maritime operations;
- Providing pre-deployment cyber training for Operation REASSURANCE to increase cyber awareness and resilience among deployed personnel;
- Leading the inaugural Digital Fortress Workshop to strengthen the resilience and survivability of Defence infrastructure against cyber threats;
- Conducting a tabletop exercise with CAF and Five Eyes allies in preparation for Exercise RIMPAC 26, improving interoperability and collective cyber readiness; and
- Supporting implementation of Phase 1 of the Canadian Program for Cyber Security Certification to strengthen cyber security and resilience across critical supply chains.

Strengthening Strategic and Industrial Partnerships

Defence advanced strategic and industrial partnerships that support Canada's long-term security, defence readiness, the protection of defence capabilities from adversarial economic exploitation, and supply chain resilience. In support of the Government of Canada's direction to diversify defence industrial partnerships, Defence strengthened engagement with key allies and partners in Europe by:

- Supporting the Prime Minister's participation in a Canada-European Union Summit that culminated with a Strategic Defence Partnership;
- Contributing to the growth of Canada's defence industrial base through the Ukraine donations program by contracting Canadian companies to provide critical capabilities to the Armed Forces of Ukraine;

- Supporting the conclusion of a third-party agreement under the European Union's Security Action for Europe initiative, expanding Canada's commercial access to these joint opportunities;
- Concluding a Canada-Netherlands Joint Vision Statement on defence industrial collaboration; and
- Confirming Canada's participation in working groups under the Nordic Defence Cooperation arrangement.

People in distress receive effective search and rescue response

Results Achieved

As a key partner in the National Search and Rescue Program, the Canadian Armed Forces (CAF) continued to deliver aeronautical search and rescue (SAR) services and coordinate the national aeronautical and maritime SAR system in collaboration with the Canadian Coast Guard (CCG).

In fiscal year (FY) 2025-26, the CAF responded to a sustained volume of incidents across Canada's extensive air, land, and maritime approaches, delivering timely and effective responses to meet Government of Canada requirements.

Delivering Search and Rescue Operations

The Joint Rescue Coordination Centers (JRCC) managed 8,170 SAR incidents during FY 2025-26, including 1,686 Category 1 (Distress) or 2 (Imminent Distress) requiring urgent responses. Only eight incidents were unresolved or suspended.

The Canadian Rangers continued to play an important role in supporting the JRCC in carrying out ground SAR operations and domestic emergency response efforts, including:

- Conducting 20 SAR operations, contributing to the rescue of 20 individuals, including missing fishers and snowmobilers;
- Supporting wildfire response efforts, including evacuation activities in Lynn and Snow Lakes, Manitoba, La Ronge, Saskatchewan, and Sandy Lake First Nation, Ontario;
- Distributing potable water and hygiene supplies in Puvirnituq, Quebec, as part of Operation LENTUS; and
- Providing assistance to Pimicikamak Cree Nation in northern Manitoba following power outage and water issues in January 2026.

Strengthening Coordination and Partnerships

The transition of the CCG to the Defence Team strengthened maritime SAR coordination and situational awareness, enhancing collaboration across the national SAR system.

Continued collaboration with the Civil Air Search and Rescue Association (whose volunteer members support aeronautical SAR operations), as well as with Parks Canada, Public Safety Canada, and the Royal Canadian Mounted Police supported coordinated SAR responses across multiple jurisdictions and strengthened Canada's national SAR capacity.

Canada also contributed to the International Cospas-Sarsat Programme, a satellite-aided SAR initiative organized as a treaty-based, nonprofit, intergovernmental, humanitarian cooperative of 45 nations and agencies, playing a key role in the provision of SAR response worldwide.

The International Maritime Organization recognized members of 103 Search and Rescue Squadron with a Certificate of Commendation for Exceptional Bravery at Sea for rescuing the crew of a disabled cargo vessel near Lark Harbour, Newfoundland.

Maintaining Search and Rescue Readiness

Defence maintained high readiness through training, exercises, and continued collaboration with domestic and international partners.

For instance, the 2025 National Search and Rescue Exercise in Comox, British Columbia, increased interoperability and facilitated the exchange of best practices among Canadian and international SAR teams.

Multiagency search and rescue exercises enhanced interoperability and supported the operational use of Remotely Piloted Aircraft Systems (RPAS). These activities resulted in the certification of 14 RPAS pilots for search and rescue operations, thereby expanding detection and search capacity.

Modernizing Search and Rescue Capabilities

Defence advanced its SAR capabilities through the introduction of new aircraft, fleet upgrades, and emerging technologies that improve its ability to locate and assist people in distress.

In May 2025, the CAF introduced the first CC-295 Kingfisher fixed-wing search and rescue aircraft into service at 19 Wing Comox, British Columbia. A second SAR squadron at 14 Wing Greenwood, Nova Scotia, completed its transition to the Kingfisher in January 2026, continuing the expansion of this new capability, with full operational capability across all CAF units anticipated by 2029-30.

The CAF advanced the Cormorant Mid-Life Upgrade, progressing production activities that will improve the reliability, availability, and long-term effectiveness of the CH-149 Cormorant helicopter fleet.

In addition, Defence advanced the planning and integration of mobile phone detection and location finding systems, supporting the CAF's ability to locate people in distress in complex and remote operating environments.

Defence modernized the Canadian Beacon Registry site by transitioning to a cloud-based centralized platform for 406MHz emergency beacons to enable more timely deployment of search and rescue resources, reduced response times, while improving chances of a successful rescue. The new application reduces the need for manual verification, enabling the registry team to focus more on outreach to the Canadian public and provide education on the importance of 406MHz emergency beacons and registration.

In FY 2025-26, there were 1,606 Canadian beacon alerts, resulting in 88 actual alerts and 1,518 undetermined or false results. The registry helped reduce unnecessary deployment of SAR resources to false alerts while supporting timelier responses to actual distress situations.

Defence also modernized critical SAR mission systems through cloud-based infrastructure improvements to improve response to people in distress. The deployment of CloudTAK enhanced

real time situational awareness by enabling responders to share location, sensor, and operational data in support of complex operations, including during the 2025 active forest fire season.

In addition, Defence migrated the SAR mission systems to the public cloud, significantly improving system resilience, redundancy, and availability for this life saving capability. Defence further strengthened operational resilience by establishing a second, geographically separate cloud data centre in Western Canada with advanced connectivity to increase availability for critical SAR services.

Canada's Arctic Sovereignty is preserved and safeguarded

Results Achieved

Canada's Arctic and northern regions continued to face growing challenges during fiscal year (FY) 2025-26, including the impacts of climate change, increasing marine activity, heightened geopolitical interest, and foreign interference below the threshold of armed conflict. At the same time, increased accessibility of maritime routes, emerging economic opportunities, and advances in cold-weather capabilities reinforced the strategic importance of the region.

In response, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) pursued a comprehensive and coordinated approach to reinforce Canada's sovereignty, security, and presence across the Arctic and North through military operations, surveillance activities, intelligence support, partnerships, capabilities and infrastructure planning.

Maintaining Arctic Sovereignty and Operational Readiness

The CAF maintained a permanent presence in the Arctic and the North through Joint Task Force North, Canadian Forces Station Alert, 404 Squadron, and more than 1500 Canadian Rangers serving in communities across the region. This permanent presence was complemented by a near-persistent operational footprint achieved through operations, exercises, surveillance, and training activities, supporting domain awareness. Canadian sovereignty, and readiness across the Arctic and northern regions.

Operation NANOOK, Canada's signature northern operation, included multiple deployments throughout FY 2025-26 that strengthened the CAF's capability to detect, deter, and if required, defend against threats in the Arctic and the North, while enhancing interoperability and readiness with domestic and international partners. Key activities included:

- Operation NANOOK-NUNALIVUT (February-April 2026). Conducted alongside Belgian, Danish, and French armed forces, the CAF worked alongside Indigenous organizations, domestic agencies, and partners in the extreme conditions of Canada's North. Activities included casualty evacuation, major air disaster response, dive operations, and ice reconnaissance, supported by over 186 flying hours, and shoreline patrols by Canadian Rangers Patrol Group and 38 Canadian Brigade Group Arctic Patrol;
- Operation NANOOK-TATIGIIT (October 2025). Strengthened Arctic disaster response readiness through highly realistic scenarios, a new effects-based Request for Assistance model, and improved shared understanding of outcome-focused support requests. The exercise also identified critical capability gaps that inform future readiness improvements;

- Operation NANOOK-TUUGAALIK (August-October 2025). Increased CAF presence and awareness through a transit of the Northwest Passage, strengthening maritime domain awareness and community engagement;
- Operation NANOOK-NUNAKPUT (August-September 2025). Conducted patrols, reconnaissance, and resupply operations across Baffin Island and the northern Arctic region, including deployment of His Majesty's Canadian Ship (HMCS) *William Hall* and over 388 hours flown by Royal Canadian Air Force aircraft; and
- Operation NANOOK-TAKUNIQ (June-August 2025). Conducted reconnaissance and sovereignty operations across the Canadian Arctic Archipelago, supported by over 130 hours flown by CC-138 aircraft. To further increase CAF presence, planning was conducted through the 1st Canadian Ranger Patrol Group in coordination with federal partners, such as the Joint Meteorological Centre, the Polar Continental Shelf Program, Environment and Climate Change Canada, and Parks Canada.

Operation LATITUDE, conducted in partnership with the United States Coast Guard, United States Navy, and United States Air Force, the CAF enhanced maritime domain awareness and reinforced defence cooperation. During the operation, HMCS *Max Bernays* reached the highest latitude ever achieved by a Royal Canadian Navy vessel, demonstrating the capability of the Harry DeWolf-class Arctic and Offshore Patrol Vessels and the CAF's capacity to operate confidently in Canada's North.

Operation LIMPID, maintained surveillance of Canada's northern approaches through contracted provincial airlines aircraft and CAF assets covering 95% of the area of responsibility and over 2,400 nautical miles in long-range patrol aircraft, detecting more than 20 foreign vessels, and monitoring activities across Canada's northern approaches.

The CAF also sustained critical northern operations through Operation BOXTOP, delivering nearly 1.8 million litres of fuel and more than 172,000 pounds of cargo to Canadian Forces Station Alert, Nunavut, helping maintain Canada's northernmost military installation.

To further strengthen readiness, the CAF participated in Exercise ARCTIC EDGE 26 and NOREX, conducting joint training with the United States, including in air-to-air intercept training, missile defence exercises, and cold weather operations.

The Canadian Special Operations Forces Command participated in Exercise COLD RESPONSE 26 emphasizing the integration of conventional and special operations forces in the conduct of large-scale combat operations in the High North.

Strengthening Arctic Awareness and Partnerships

DND/CAF continued to deepen its understanding of the Arctic operating environment and strengthen cooperation with northern communities, Indigenous partners, allies, and other government organizations. Key achievements included:

- The 1st and 2nd Canadian Ranger Patrol Groups maintained a persistent presence across 66 communities located north of 60° latitude, with 22 groups located within the Arctic Circle. Their deep local knowledge enabled the Canadian Rangers to observe and report on local atmospherics, suspicious activities, and environmental conditions, while maintaining a reliable and persistent CAF liaison presence in many Arctic communities; and

- The Arctic Operator Advisor course continued to strengthen CAF expertise and cooperation in Arctic operations. Led by the Canadian Army, with support and advice from Canadian Rangers, participants, including international military students, conducted long-range patrols to Kugaaruk, Taloyoak, Gjoa Haven, and Igloolik, Nunavut, gaining practical experience while benefiting from local knowledge, cultural awareness, and regional expertise.

Enhancing Intelligence and Decision Support

Defence strengthened Arctic awareness through intelligence, mapping, imagery analysis, and environmental monitoring activities to support operational planning and decision-making.

Key achievements included:

- Supporting Arctic operations with navigational and meteorological data, leading a pilot defence mapping initiative in priority regions;
- Advancing defence mapping initiatives in priority northern regions;
- Expanding an Arctic-specialist team for enhanced international intelligence collection;
- Collaborating with the Royal Canadian Mounted Police and Natural Resources Canada to strengthen imagery support for domestic Arctic security and understanding of environmental impacts on operations; and
- Delivering strategic all-source defence intelligence products and services identifying threats and activities in the Arctic to senior DND/CAF leaders and Government of Canada decision-makers.

Expanding Canada's Arctic Presence and Infrastructure

DND advanced preparatory work to establish the Northern Operational Support Hubs network, to provide critical infrastructure and logistical support to strengthen the CAF's ability to deploy, sustain, and operate in the Arctic and North.

Key progress in FY 2025-26 included:

- Advancing operational and infrastructure requirements to address identified capability gaps;
- Aligning development activities with the Prime Minister's March 2026 announcement of new hub locations in Whitehorse, Yukon and Resolute, Nunavut, and two node locations in Cambridge Bay and Rankin Inlet, Nunavut;
- Accepting the delivery of the sixth and final Arctic and Offshore Patrol Vessel;
- Establishing a strategic partnership with Telesat Corporation and MDA Space, to develop and bolster the CAF's military satellite communications capabilities as part of the Enhanced Satellite Communications Project - Polar; and
- Engaging Indigenous partners, northern communities, regional governments, and federal partners to support coordinated development and identify shared priorities.

Strengthening Strategic Engagement

Defence strengthened engagement with provincial, territorial, and Indigenous governments, key international allies, and other partners to advance Arctic security cooperation and support a coordinated approach to Arctic security and defence.

North America is defended against threats and attacks

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) strengthened the defence of North America through continued North American Aerospace Defense Command (NORAD) operations and the phased modernization of NORAD capabilities. In an increasingly contested security environment, characterized by long-range strike systems, hypersonic weapons, and sustained Russian and Chinese military activity near North America, NORAD transitioned from addressing critical capability gaps toward delivering early operational gains that improve detection, deterrence, and response across North American approaches.

Maintaining NORAD Readiness and Operations

- NORAD maintained a high tempo of sustained and dispersed operations to validate readiness and deter adversaries. Under Operation NOBLE EAGLE, NORAD continued its uninterrupted aerospace defence mission across Canada and the United States, responding to flight restriction area violations and to multiple Russian military aircraft operating near North American airspace. Routine live-fly air defence exercises were also conducted across North America to test systems, interoperability, and response timelines;
- NORAD conducted key demonstrations of Arctic defence capability during ARCTIC EDGE 2026 and Operation NOBLE DEFENDER. Led by the Canadian NORAD Region, Operation NOBLE DEFENDER deployed a binational air task force to forward locations at Pituffik Space Base, Greenland, improving NORAD's ability to operate persistently in austere Arctic conditions and defend northern approaches alongside our Arctic allies; and
- Defence strengthened integration with the United States through increased CAF representation within United States Northern Command, including elevating liaison presence to improve information-sharing and coordination.

Defence delivered strategic all-source defence intelligence products and services identifying and characterizing strategic threats to Canada and North America. These products and services supported senior decision-makers across DND/CAF and the Government of Canada, improving situational awareness and enabling timely responses to emerging threats.

Modernizing Continental Defence Capabilities

Supported by Canada's $38.6 billion, 20-year NORAD modernization investment commitment under *Strong, Secure, Engaged*, the 2022 NORAD Modernization announcements, and *Our North, Strong and Free*, DND/CAF advanced several flagship initiatives from concept into definition and execution that strengthen continental defence:

- Arctic Over-the-Horizon Radar (A-OTHR): Advanced a critical long-range surveillance capability through Treasury Board approval of $6.5 billion to support contracting, land

acquisition, infrastructure development, and the primary A-OTHR mission system to be acquired through a partnership with the Australian Commonwealth. Since June 2025, DND has collaborated with the Australian Department of Defence under a project arrangement to support requirements development and evaluation. In July 2025, the Government of Canada announced the siting of A-OTHR in Southern Ontario, and infrastructure development activities started shortly thereafter, positioning A-OTHR to significantly enhance detection of airborne threats approaching North America; and

- Strengthened command and control through upgrades to NORAD digital systems, improving AI-enabled decision-making and networking across regions using secure cloud-based technologies.

Canadian Armed Forces contribute to a more stable and peaceful world

Results Achieved

In fiscal year (FY) 2025-26, the Canadian Armed Forces (CAF) contributed to global stability and security through sustained operations with allies and partners across multiple regions. In an increasingly complex security environment, CAF activities supported deterrence, capacity building, and international cooperation, reinforcing Canada's role as a reliable and engaged partner**.**

Promoting NATO and Euro-Atlantic Security

The CAF continued to play a central role in North Atlantic Treaty Organization (NATO) deterrence and collective defence in Central and Eastern Europe.

Operation REASSURANCE: In FY 2025-26, the Government of Canada formally announced that Operation REASSURANCE was renewed for an additional three years, extending the mission to 2029. The CAF sustained contributions to NATO's deterrence and collective defence posture in Central and Eastern Europe through land, air, and maritime contributions.

Key activities included:

- Land Task Force Latvia: Continued reinforcement of Latvia through deployment and contribution to NATO Multinational Brigade – Latvia, Task Force Latvia and NATO Multinational Division North;
- Air Task Force Prestwick (ATF-P): ATF-P remains a critical air transport hub through which the CAF sustains global operations, most notably in support of Ukraine, while also enabling deployments across Central and Eastern Europe. Canada continued to contribute three CC-130J Hercules aircraft and approximately 60 CAF personnel to ensure reliable strategic airlift, sustained operational reach, and enhanced integration with allies in a dynamic security environment;
- Maritime Task Force - NATO Standing Naval Forces: Canadian warships and personnel participated in multinational exercises and standing NATO maritime groups to strengthen interoperability with Allies and reinforced NATO readiness;
- Operation OPEN SPIRIT and BLACK SEA: Delivered mine countermeasure and explosive ordnance disposal capabilities in the Baltic and Black Sea regions, including detection, identification, and neutralization of maritime explosive hazards. CAF personnel conducted multiple observations and activations, while working alongside allied navies to enhance

interoperability and strengthen expertise through training and knowledge sharing in mine countermeasure operations;

- Strengthened the Maritime Security Partnership (MSP) with Germany and Norway to accelerate cooperation and ensure maritime security in the North Atlantic by a small group of like-minded and capable allies, in support of broader Euro-Atlantic security;
- In June 2025, MSP partners welcomed Denmark into the grouping and established a subject-matter experts working group and executive quarterly meetings to review progress of MSP pillars: exercises, training and doctrine; materiel cooperation; defence innovation; and supply chain security and resilience;
- In March 2026, Defence participated in MSP engagement to confirm strategic prioritization of proposed practical initiatives for tasking to working groups in 2026;
- Operation UNIFIER: The Government of Canada extended the CAF's military training, professionalization, and capacity building mission in support of Ukraine through 2029. During FY 2025-26, the CAF:
    - Trained over 2,000 Security Forces of Ukraine personnel across a range of basic and advanced military skills, including tactical medical training, combat engineering, and leadership development;
    - Resumed instructor training across key training streams, helping to accelerate the scale and quality of Ukrainian force generation;
    - Supported the delivery of Canadian and multinational military assistance and captured operational lessons from the conflict to inform CAF readiness; and
    - Contributed to multinational coordination through participation in the United States-led Security Assistance Group–Ukraine and NATO Security Assistance and Training for Ukraine, ensuring effective alignment of training and equipment support across allied partners.
- Operation KOBOLD: Provided logistics and headquarters support related to movement and transport of physical assets, information security, and border/customs officer duties;
- Operation SNOWGOOSE: Supported Canada's longest-running overseas missions to support international efforts to prevent a recurrence of fighting between the Greek and Turkish Cypriot communities; and
- Deployed cyber teams to Europe to work with and integrate within several nations who have requested the Department of National Defence (DND)/CAF presence. Defence stood up the around-the-clock Joint Operations Command which has integrated cyber and space domains into daily reporting.

Maintaining Peace and Stability in the Indo-Pacific

In support of Canada's Indo-Pacific Strategy, DND/CAF participated in:

- Operation HORIZON: Through Canada's comprehensive military approach to promote peace and stability in support of an international system based on the rule of law in the

Indo-Pacific region, the CAF maintained a persistent multi-domain forward presence in FY 2025-26, by:

  - Deploying three warships and a supply ship to the Indo-Pacific region including His Majesty's Canadian Ships (HMCS) *Ville de Québec*, *Max Bernays*, *Charlottetown* and Motor Vessel *Asterix;*
  - Sailing alongside the United Kingdom Prince of Wales Carrier strike group for the United Kingdom Operation HIGHMAST;
  - Exercise TALISMAN SABRE represented the largest regional deployment for the CAF in 2025, with multiple aircraft and more than 600 CAF members engaged in Australia's premier activity; and
  - Exercise ANNUALEX: The CAF deployed a CC-130J and CP-140 to the region re-affirming Canada's commitment to humanitarian efforts through engagement with the United States Indo-Pacific Command.

- Operation NEON: Contributed maritime patrols and air reconnaissance in support of the United Nations (UN) effort to monitor and deter the Democratic People's Republic of Korea's (DPRK) sanctions evasion. The CAF contributed personnel to the multinational Enforcement Coordination Cell as well as two warships and two CP-140s and helped identify multiple vessels of interest suspected of violating UN Security Council Resolutions and sanctions imposed on DPRK;
- Operation RENDER SAFE: Contributed to an Australian Defence Force-led reconnaissance mission to Papua New Guinea, which helped plan and establish priorities for upcoming deployments to Papua New Guinea for the removal of explosive remnants; and
- The Canadian Special Operations Forces Command contributed to regional engagement and interoperability through participation in multinational special operations activities and capacity building, including Project MANTIS.

Defence further strengthened bilateral defence relationships and interoperability with priority Indo-Pacific partners by formalizing cooperation through a series of defence and security agreements, including:

- Status of Visiting Forces Agreement with the Philippines, enhancing military cooperation and operational flexibility;
- Canada-Republic of Korea Agreement on the Protection of Military and Defence Classified Information, providing a legal foundation to facilitate enhancement of defence industrial, research, and operational collaboration;
- Canada-Japan Security of Information Agreement, establishing a legal framework for the secure exchange of classified information related to national security;
- Canada-Japan Equipment and Technology Transfer Agreement, providing a legal framework to help Canadian and Japanese companies co-develop projects that require the transfer of equipment, technology, or intellectual property to Canada;

- Defence Cooperation and Military Cooperation Memoranda of Understanding with Indonesia, providing the policy foundation to enable deeper cooperation with a priority partner in Southeast Asia; and
- Canada–Republic of Korea Security and Defence Cooperation Agreement was launched, further deepening a key strategic partnership in the region.

Supporting Peace and Stability in the Latin American and Caribbean Regions

The CAF maintained an enduring operational presence in Latin America and the Caribbean through operations and episodic deployments in support of regional security, humanitarian assistance, and partner capacity-building:

- Operation CARRIBE: Supported United States-led multinational counternarcotics activities in the Caribbean Sea, Gulf of Mexico, and eastern Pacific Ocean to complement multinational efforts to address illicit trafficking in the region. This operation contributed to the seizure of over 1,545 kilograms of cocaine and was conducted independently of other United States-led regional activities;
- Operation HELIOS: In February 2025, the CAF provided a Medical Evacuation Air Detachment from El Salvador in support of the UN authorized efforts to advance stabilization in Haiti. With Operation HELIOS authorities having expired in October 2025, Haitian stabilization efforts will be led by other government departments and international partners with Defence providing some staff-level support;
- EXERCISE TRADEWINDS: Conducted training with allies and partners in Trinidad and Tobago to enhance disaster relief readiness in the event of a crisis;
- Operation RENAISSANCE: Supported Global Affairs Canada by providing humanitarian assistance in Jamaica in response to Hurricane Melissa by providing logistical support and emergency relief supplies;
- Operation AMISTAD: Contributed to the United States-led humanitarian assistance mission to bring health care, humanitarian assistance, and civic support to communities in Peru, El Salvador, and Suriname, free of cost; and
- Operation PROJECTION ANTARCTICA: Deployed HMCS *Margaret Brooke* to Antarctica, circumnavigating South America and conducting a scientific expedition in the Antarctic region, while undertaking port visits and regional engagements with South American partners to strengthen cooperation and maritime presence.

Maintaining Peace and Stability in the Middle East

Following the conclusion of Canada's Middle East engagement strategy in March 2025, DND/CAF consolidated defence and security activities in the Middle East. This focused and integrated approach allowed the CAF to continue contributing to international efforts to promote regional stability through:

- Operation AMARNA: Supported international security and stability through NATO Mission Iraq, capacity building in Jordan and Lebanon, defence institution reform, and contributions to the Combined Maritime Force to counter violent extremist organizations such as Da'esh;

- Operation FOUNDATION: Provided approximately 18 CAF members to support the United States-led counter terrorism operations to protect commercial ships in the Red Sea and Gulf of Aden;
- Operation PROTEUS: Maintained its contribution to the Office of the United States Security Coordinator in partnership with the Royal Canadian Mounted Police and the Department of Justice, which delivered training and advice to improve the capacity of Palestinian Authority Security Forces, in alignment with Canada's support of a two-state solution for lasting peace in the Middle East;
- Operation JADE: Contributed to the UN Truce Supervision Organization mission to observe and supervise regional cease-fire, and to implement the armistice agreements through the provision of UN military observers as well as an episodic senior staff appointment; and
- Operation CALUMET: Contributed approximately 40 CAF members to the Multinational Force and Observers in the Sinai Peninsula, and mission critical support through an independent peacekeeping operation between Egypt and Israel. The CAF continues to provide key leadership and specialist support as part of Canada's support to the Middle East Peace Process.

Supporting Canada's Africa Strategy

In alignment with Canada's Africa Strategy: A Partnership for Shared Prosperity and Security, DND/CAF continued providing operational support to African partners to promote peace and security:

- Operation CROCODILE: Continued contributing to the UN-led peacekeeping efforts in the Democratic Republic of Congo (DRC) despite increasing regional instability, by providing credible and impartial support to operations, liaison, planning, and training, which strengthened the capacity of the UN Organization Stabilization Mission in the DRC to fulfill its mandate;
- Operation SOPRANO: Provided technical planning and operational support to the UN Mission in Sudan and Canada's whole-of-government engagement in South Sudan in a dynamic and complex security environment; and
- Operation PRESENCE: The CAF delivered a broad range of support to the Government of Canada's peace operations strategy, including:
    - Providing high-value support, such as tactical airlift for UN missions across Africa, and assisting with the transportation of equipment, personnel, and supplies, for the UN Regional Service Centre in Entebbe, Uganda;
    - Strengthening partnerships with the Ghana Armed Forces (GAF) through the Elsie Initiative for Women in Peace Operations, to develop innovative approaches to increasing the meaningful participation of uniformed women in UN peacekeeping, as well as delivering peace support operational training through Canada's Military Training and Cooperation Program; and
    - Deployed five CAF instructors to train a GAF Engagement Platoon for deployment to the UN Interim Security Force for Abyei at the Army Peace Operations Training Site in Ghana.

In FY 2025-26, the CAF continued to support United Nations and other peace support operations as part of Canada's commitment to international peace and security. In an increasingly complex security environment, the CAF balanced its global operational commitments to align resources with evolving defence priorities. Defence also continued to support the UN Secretary-General's Uniformed Gender Parity Strategy target of 25% uniformed women by 2028 and participated in multilateral planning groups with key partners to maintain relationships and advance operational initiatives aligned with Canadian strategic objectives.

Enhancing Cyber Cooperation

In support of maintaining peace and stability in space and cyber domains, Cyber operations and cooperation were strengthened through CAF Cyber Command participation in bilateral and multilateral cyber exercises and activities, including APEX, LOCKED SHIELDS, and CYBER GUARD, enhancing collective cyber resilience and information-sharing with regional and like-minded partners.

Advancing the Vancouver Principles

Defence also advanced global initiatives, including The Vancouver Principles on Peacekeeping and the Prevention of the Recruitment and Use of Child Soldiers.

While there has been noteworthy progress in the advancement of the Vancouver Principles, the CAF's limited presence in regions affected by child soldiering resulted in indirect contributions from DND/CAF. This included proactive advocacy in partnership with the Dallaire Institute for Children, Peace, and Security to prevent the recruitment and use of child soldiers by institutionalizing, operationalizing, and integrating child protection considerations into CAF military doctrine, training, and operational planning. Defence also evaluated the updated Gender Focal Point course, which expands on the previous iteration's delivery of child protection-related topics. Following successful serials, the course material was validated and will continue to include the application of The Vancouver Principles.

Delivering Training and Capacity Building

Through the provision of training and capacity building to partners, the Military Training Cooperation Program (MTCP) has continued to contribute to international peace and security by strengthening bilateral and multilateral defence relations with Canada's partners.

In FY 2025-26, the MTCP sponsored the training of over 1,300 participants from 60 strategically relevant countries to enable relationship-building. Training included senior staff and non-commissioned officer development, operational and exercise planning, strategic studies, public affairs, chaplaincy, the integration of women and gender perspectives in the armed forces, defence resource management, international law of armed conflict, combat medical skills, naval and air force skills, peace support operations skills, and English and French language enhancement.

In addition to its core training activities, the MTCP provided $12.1 million of international capacity building support under the Indo-Pacific Strategy, Operation PRESENCE and Operation AMARNA in key areas including equipment donations, defence institution building, Women, Peace, and Security initiatives, and peace support operations training.

Finally, the Program committed $2.42 billion of enhanced military assistance and capacity building to Ukraine, including substantial equipment donations that are integral to the country's defence against Russian aggression.

Building Partnerships with Allies

In FY 2025-26, Defence supported the establishment of a bilateral Canada-United Kingdom dialogue, jointly hosted by the Deputy Minister and Vice Chief of the Defence Staff. At its inaugural meeting, Canada and the United Kingdom agreed to define shared strategic priorities and accelerate bilateral processes in key areas, including operations, innovation, capability development, and defence industrial collaboration.

Canada also concluded a bilateral roadmap with France that identified and confirmed shared priorities to collaboratively advance security across key regions including Eastern Europe, Ukraine, the Arctic, Indo-Pacific and technologies and artificial intelligence, critical minerals, energy, innovation, and defence-related science and technology.

Resources required to achieve results

Table 1.6 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 1.6: Snapshot of resources required for Operations

Resource	Planned	Actual
Spending	$2,270,235,517	$4,606,939,842
Full-time equivalents	2,764	3,624

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, the Defence Team advanced Gender-based Analysis Plus (GBA Plus) across domestic and international operations to strengthen operational effectiveness, situational awareness, and mission outcomes. These efforts supported the implementation of Canada's Third National Action Plan on Women, Peace and Security (C-NAP 3), enhancing the Defence Team's intersectional capacity in complex operating environments.

Operational capabilities were strengthened through the expansion and professionalization of GBA Plus and intersectional analysis expertise within the Canadian Armed Forces (CAF). The Royal Canadian Air Force expanded its cadre of trained Gender Advisors and Gender Focal Points and established a dedicated Women, Peace and Security network linking intersectional expertise from the strategic to tactical levels. This network provided timely, operationally relevant advice across domestic and international missions, particularly in environments affected by evolving political, social, and security dynamics.

Across CAF operations, updated Terms of Reference and enhanced training requirements for key roles further embedded intersectional analysis in core operational functions. Multiple serials of a refreshed Gender Focal Point course enhanced the capacity of deployed Task Force leadership and staff to identify, prevent, and respond to gender-based violence and conflict-related sexual violence, contributing to force protection, civilian harm mitigation, and mission legitimacy. A

dedicated C-NAP 3 Working Group provided a structured mechanism to integrate intersectional analysis into operational policy development, planning, and execution.

Operational reporting was further strengthened through refined reporting tools that improved the capture, analysis, and communication of Women, Peace and Security considerations across force employment activities. These tools supported more informed decision-making and enabled leadership to assess how operational actions affected diverse populations within mission areas.

Program inventory

Operations is supported by the following programs:

- Operations in Canada;
- Operations in North America;
- International Operations;
- Global Engagement;
- Cyber Operations;
- Command, Control and Sustainment of Operations; and
- Special Operations.

Additional information related to the program inventory for Operations is available on the Results page on GC InfoBase.

Core responsibility 2: Ready Forces

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Resources required to achieve results
- Gender-based Analysis Plus
- Program inventory

Description

Field combat ready forces able to succeed in an unpredictable and complex security environment in the conduct of concurrent operations associated with all mandated missions.



Image 2: Exercise OAK RESOLVE

Canadian Armed Forces personnel from the Multinational Brigade take part in Exercise OAK RESOLVE Ādaži, Latvia, on 4 September 2025.

Photo: Corporal Michael Vandenbroek, Canadian Armed Forces Imagery Technician.

Quality of life impacts

This core responsibility contributes to the Good Governance domain of the Quality of Life Framework for Canada, specifically supporting the 'Democracy and institutions' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 2: Ready Forces.

Table 2.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Canadian Armed Forces are ready to conduct concurrent operations' in the last three fiscal years.

Table 2.1: Canadian Armed Forces are ready to conduct concurrent operations

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of force elements that are ready for operations in accordance with established targets	At least 90%	March 2032	2023-24: 67% 2024-25: 61.3% 2025-26: 61%[1]
% of planned readiness achieved for core concurrent mission set	At least 90%	March 2032	2023-24: 29% 2024-25: 30% 2025-26: 33%[2]

[1]Achieving 90% readiness across operational force elements is a goal that is planned to be achieved by 2032. Operational readiness stabilized following a period of decline, reflecting sustained investments in personnel, equipment, training, and sustainment. While rebuilding readiness takes time, Canada has begun strengthening the foundations required to generate future operational capability.

[2]Achieving 90% readiness for the core concurrent mission set remains a long-term goal, planned to be achieved by 2032. Improvements were noted over last FY, due to prioritization and managed readiness efforts. Due to this prioritization and investment in Defence, Canada has begun strengthening the foundations required to generate future operational capability.

Table 2.2 shows the target, the date to achieve the target and the actual result for each indicator under 'Military equipment is ready for training and operations' in the last three fiscal years.

Table 2.2: Military equipment is ready for training and operations

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of maritime key fleets that are serviceable to meet training, readiness, and operational requirements	At least 60%[1]	March 2032	2023-24: 45.73% 2024-25: 59.6% 2025-26: 53.91%[1]
% of land key fleets that are serviceable to meet training, readiness and operational requirements	At least 70%[2]	March 2032	2023-24: 49% 2024-25: 51% 2025-26: 48%[2]
% of aerospace key fleets that are serviceable to meet training, readiness, and operational requirements	At least 70%[3]	March 2032	2023-24: 48.9% 2024-25: 42.3% 2025-26: 41.9%[3]

[1]Current performance remains below the long-term target which was increased in FY 2026-27 to 75% to be achieved by 2036 to align with the Defence Industrial Strategy. Constrained ship availability caused by major maintenance cycles and personnel shortages were contributing factors to the current result. While Halifax-class frigates and Arctic and Offshore Patrol Vessels sustained core and Arctic readiness, other key fleets cycled through refits. In addition, submarine availability declined due to maintenance and crew requirements. Overall capacity remained stable but limited. Serviceability is expected to improve gradually as modern fleets are introduced and obsolete platforms are retired.

[2]Current performance remains below the long-term target which was increased in FY 2026-27 to 80% to be achieved by 2036 to align with the Defence Industrial Strategy. Persistent structural pressures were contributing factors to the current result. While National Procurement (now Fleet and Equipment Readiness) funding levels have improved, the impact has been insufficient to offset the long-term effects of historical underfunding and aging fleets, and a sustained high operational tempo. Serviceability is expected to improve gradually as modern fleets are introduced and obsolete platforms are retired.

[3]Current performance remains below the long-term target which was increased in FY 2026-27 to 85% to be achieved by 2036 to align with the Defence Industrial Strategy. Ongoing personnel shortages, supply chain disruptions, and the increasing maintenance demands of aging platforms were contributing factors to the current result. Scheduled major maintenance, unforeseen equipment problems, underfunding and increasingly outdated equipment also affected serviceability. These challenges are expected to persist in the near term and temporary reductions in operational output are expected as legacy fleets are retired and new capabilities are introduced. As new platforms achieve full operational capability, gradual and sustained improvements in serviceability are expected.

The Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Ready Forces in 2025-26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Canadian Armed Forces are ready to conduct concurrent operations

Results Achieved

People, equipment, training, and sustainment (PETS) form the foundation of the Canadian Armed Forces (CAF) readiness. Maintaining readiness requires careful management of these elements, including force preparation, resource allocation, and business planning to ensure the CAF can respond to Government of Canada requirements at home and abroad. A focused approach to Defence investment supports readiness improvements in areas of greatest operational impact.

Throughout fiscal year (FY) 2025-26, operational demand remained high while overall readiness remained stable compared to the previous year. Assessments indicate that 61% of CAF force elements were ready for operations, marking a shift from the previous year-over-year declines. Achieving the target of 90% readiness by 2032 will require sustained investment across all PETS factors.

Optimize Readiness through Training and Exercises

The CAF continued to conduct rigorous training and exercises to ensure it can respond effectively to domestic and international requirements. However, sustaining a high operational pace remains challenging while striving to restore resilience across the force. In FY 2025-26, the CAF successfully managed risks to meet concurrent operational demands.

The CAF progressed its roadmap toward a unified National Defence operations and intelligence centre by establishing the CAF Joint Operations Centre and supporting the execution of concurrent operations and information requirements.

Defence conducted the following exercises and activities in FY 2025-26:

- Exercise STEADFAST DETERRENCE 25 focused on strategic level plans in a peacetime vigilance-to-crisis scenario. Five CAF members staffed the Exercise Control cell within the North Atlantic Treaty Organization (NATO) Joint Warfare Centre as the Canadian Response Cell;
- Exercise STEADFAST DUEL 25 focused on operational and tactical level plans in a crisis scenario. A sizable CAF contribution was involved across NATO's Allied Command Operations, with more than 100 CAF personnel deployed to various NATO headquarters across Europe to augment and support functions within the exercise;
- Exercise VIGILANT SHIELD 26 completed scenario development, and command and control preparations for the United States Multi-Combatant Command, Command Post Exercises within the ELITE CONSTELLATION umbrella, which integrates defence of Canada and the United States within a unified Global Operational Scenario;
- North American Maritime Security Initiative (NAMSI) was a tri-lateral exercise between Canada, the United States, and Mexico, which focused primarily on maritime law enforcement. In February 2025, CAF members attended the winter NAMSI working group in San Diego, where participants planned two maritime tabletop exercises and a seminar to be hosted by the Mexican Navy. In July 2025, CAF members attended the summer NAMSI working group in Colorado Spring, hosted by United States Northern Command (USNORTHCOM);
- Exercise FORMIDABLE SHIELD, His Majesty's Canadian Ship *Montreal* departed Halifax, Nova Scotia, in April 2025, and conducted multiple Evolved Sea Sparrow Missiles (ESSM) live-fire events at various targets to advance fire doctrine and tactics of the ESSM. This exercise is jointly run by the United States Navy 6th Fleet and Strike Force NATO;
- CUTLASS FURY 25 advanced scenarios in anti-submarine warfare, and surface warfare, and used time at sea to enhance interoperability with allied forces from the United States, the United Kingdom, and Denmark;
- COALITION VIRTUAL FLAG 25 was a Five Eyes exercise sponsored by the United States Air Force. It facilitated interaction between land, maritime, air, special operations, cyber and space elements from multiple nations. Participants implemented lessons learned from previous iterations of this serial, further advancing participating nations' ability to meld virtual and live training into valuable force generation;
- Exercise VIKING RAIDER involved two Royal Canadian Navy ships staff, from the east and west coasts, participating virtually. The exercise included advanced anti-submarine, anti-air and anti-surface warfare scenarios;
- Exercise OAK RESOLVE was a battalion-level NATO validation exercise conducted by the Multinational Battle Group in Latvia, which resulted in a successful Combat Readiness Evaluation and the Multinational Battle Group. Evaluators deemed the group mission capable;
- Exercise RESOLUTE WARRIOR took place in Latvia, and demonstrated the ability to lead a multinational brigade and operate effectively with allied forces;

- Joint Pacific Multinational Readiness Center further developed the Canadian Army's capacity to conduct operations in complex and austere environments;
- WARFIGHTER Exercise improved the integration of command, planning and sustainment functions at higher operational levels;
- Exercise STALWART GUARDIAN reinforced the readiness of domestic response forces;
- Exercise UNIFIED RESOLVE enhanced joint planning and decision-making processes;
- Exercise PRECISE RESPONSE improved the ability of personnel and units to operate safely and effectively in environments involving chemical, biological, radiological, and nuclear hazards;
- MOBILITY GUARDIAN 25, an aeromedical evacuation team of nine members contributed notably to the exercise, demonstrating one of Canada's support capabilities to our Indo-Pacific partners;
- ARDENT SENTRY 25 saw multiple USNORTHCOM and North American Aerospace Defense Command organizations participate in scenarios of this tabletop exercise, successfully meeting outcomes. Critical challenges were overcome to ensure the command and control (C2) of assets protecting North America remained intact;
- FRISIAN/RAMSTEIN FLAG 25, under NATO Allied Air Command Headquarters, the Royal Canadian Air Force deployed C2 elements along with air-to-air refueling assets for RAMSTEIN FLAG, showcasing Canada's ability to support joint C2 and tactical-level interoperation between NATO nations;
- Exercise CYBER GUARD 25, as part of the ELITE CONSTELLATION series of exercises, is a premier United States Cyber Command "train how you fight" exercise to generate force readiness. Defence participated in an interagency effort with the Communications Security Establishment. The specific focus and outcomes are classified, but desired outcome was achieved for both partners – including exercising C2 processes;
- Exercise CYBER FLAG, a joint effort with France, the Department of National Defence (DND)/CAF sent a full team of cyber operators, and a team lead, to field a combined cyber protection team with a goal to formally launch the Canada-France partnership through a United States-based exercise on a United States cyber range. Both nations were successful in sharing tools and knowledge while also advancing technical expertise. The outcome was so well received that France's Centre for Analysis in Defensive Warfare and DND/CAF continued the partnership on CYBER COALITION 25, NATO's flagship annual collective cyber defence exercise; and
- Exercise VITAL ARCHER 25 was a Canada-United States training exercise, focused on improving government readiness to respond to terrorist threats involving weapons of mass destruction. Conducted as a command post exercise, it trained operations centres across Canadian and United States governments to coordinate their response during a crisis, testing existing response plans, and assessing departmental communications in an emergency.

Sustaining Personnel and Equipment Readiness

DND/CAF continued to see strong recruitment momentum in FY 2025-26, while challenges in training capacity, occupational health, and attrition persisted. Although overall force growth continued translating this growth into fully trained and deployable personnel remains a key challenge These factors reflect both progress and the ongoing effort required to sustain readiness. In FY 2025-26:

- Royal Canadian Navy (RCN):
    - Trained effective strength (TES) declined slightly during the reporting period, primarily due to increased attrition among trained non-commissioned members. Overall attrition also increased by 16% compared with the previous year. Contributing factors included sailors releasing upon completion of their one-year temporary enrolment under the Naval Experience Program (NEP). While NEP attrition rates have remained stable, the program's significant growth has increased the absolute number of releases, resulting in a greater impact on TES. Despite the increase, the resulting TES outcome matched predictions, reinforcing confidence in forecasting methods, and
    - The Basic Training List grew significantly by 432 members and now represents 26.6% of Regular Force strength—the largest on record—indicating strong potential for future TES recovery. Overall, record recruiting momentum has positioned the RCN well for future recovery as new recruits complete training, provided that training capacity constraints and technical challenges during recruiting are addressed.
- Canadian Army (CA):
    - The number of CA members committed to persistent, deployed positions on existing operations has remained at a steady-state of approximately 1,950 deployed personnel, representing 15% of the CA's deployable force; and
    - Sustained operational pace continued to require a significant contribution from the Army Reserve (ARes) to help alleviate strain on the Regular Force. The ARes filled an average of 25.5% of persistent expeditionary deployed positions.
- Royal Canadian Air Force (RCAF):
    - Sustained recruiting momentum has resulted in a combined RCAF Strategic Intake Plan result of 106% at end of FY 2025-26;
    - Intake exceeded attrition, although growth in TES remains constrained by the training pipeline, resulting in an approximate shortfall of 2,000 trained personnel;
    - Occupational health stands at 86.8% for officers and 82.3% for non-commissioned members, with 22 of 28 RCAF occupations below 90%, including 13 trending downward; and
    - Continued recruiting success, expanded training capacity, and targeted retention efforts, are enabling the RCAF to rebuild while setting the conditions for future growth and sustainability.

Mission-critical resources were directed through a deliberate allocation strategy to sustain essential capabilities within Canada. Equipment was maintained to ensure support to operational training, while older fleets were progressively retired and new fleets introduced, reducing capability gaps and strengthening readiness. Progress during the fiscal year included:

- Integration of general-purpose uncrewed aerial systems;
- Commencement of upgrade programs for light armoured and light utility vehicles;
- Improvements in mobility that enhanced light infantry capability; and
- Continued divestment of resource-intensive legacy fleets.

These efforts improved the serviceability of the training fleet and enabled a larger number of personnel to complete training on platforms aligned with operational requirements.

Readying the Forces through Intelligence Support

Defence delivered intelligence support to CAF operations and force generation activities, ensuring timely and operationally relevant insights. Meteorological and oceanographic support enabled operational readiness across concurrent domestic and international missions, as well as force generation activities. This support was integrated into force generation activities, major exercises, contingency planning, operations, and training, providing commanders with environmental awareness and decision support in complex operating environments.

Military equipment is ready for training and operations

Results Achieved

Defence advanced three core Defence Supply Chain transformation initiatives:

1. Modernization and Integration of Sustainment and Logistics: Continued integration of sustainment and logistics functions into the departmental enterprise system, improving interoperability, warehousing effectiveness, and overall supply chain performance;
2. Automatic Identification Technology: Progressed the adoption of automated data-capture technologies to enhance materiel tracking, in-transit visibility, and inventory accuracy; and
3. Materiel Planning and Forecasting (MP&F): Advanced development of next-generation planning and forecasting tools to improve demand forecasting, materiel availability, and evidence-based decision-making.

MP&F efforts have been realigned with the next-generation Enterprise Resource Planning rollout, with pilot activities focused on foundational data, business transformation, and system integration, targeting full delivery in fiscal year (FY) 2028-29.

Reinforcing Sovereignty with a Sustained Naval, Land, and Air Presence

Defence advanced readiness through participation in multinational exercises that strengthened interoperability with allies and enhanced warfighting capabilities in complex operating environments. Continued progress in fleet maintenance and sustainment improved platform availability, while progress towards integration of new capabilities enhanced operational capacity and flexibility.

In FY 2025-26, the Department of National Defence and the Canadian Armed Forces (CAF) achieved the following results:

- Supported Royal Canadian Navy readiness by sustaining the Halifax-class fleet until replacement platforms are delivered. *Our North, Strong and Free* funding enabled critical Docking Work Periods life-extension initiatives, ensuring acceptable fleet serviceability levels and sustained operational readiness despite challenges with maintaining aging platforms;
- Accepted delivery of His Majesty's Canadian Ship (HMCS) *Robert Hampton Gray*, the sixth and final Arctic and Offshore Patrol Vessel (AOPV) in August 2025. Post-delivery activities, including preparations for sea trials and fleet integration, progressed alongside capability development across the entire Harry DeWolf-class, including ongoing integration of the CH-148 Cyclone maritime helicopter. These efforts marked the completion of the AOPV fleet and advanced its operational readiness and aviation interoperability;
- Advanced delivery activities for the first Protecteur-class Joint Support Ship, including initial readiness, familiarization activities and preparations for trials and training to begin building operational knowledge and sustainment capacity for the future at-sea support capability;
- Progressed sustainment and modernization across the Victoria-class submarine fleet, to ensure operational relevance into the mid-to-late 2030s, with multiple upgrade projects progressing under the Victoria In-Service Support Contract to improve habitability, sensors, and survivability against evolving threats;
- Progressed the Canadian Army (CA) Equipment Readiness program, with a focus on monthly operator maintenance inspections conducted on the Light Armoured Vehicle 6 fleet. Completion rate for these inspections was lower than the desired rate of 40-45% each month. Additional efforts were focused on training technicians on data discipline procedures to ensure consistency and completeness of reporting across the CA;
- Explored regional solutions to augment maintenance capacity through both personnel augmentation and contracted partnerships for specific vehicle fleet servicing to reduce the burden of maintenance tasks;
- Supported CAF and Government of Canada very important person operations with the interim CC-330 Strategic Tanker Transport Capability flying over 1,800 hours. The six crew members continued contracted training activities with Air Tanker Inc. in the United Kingdom. Conversion of the first Airbus A-330 for air-to-air refueling capability began in June 2025, with aircraft delivery scheduled for late 2027;
- Received five prototype Part-Task Trainers under the Canadian Advanced Synthetic Environment project. Following acceptance testing at the Canadian Forces School of Aerospace Technology and Engineering, the first 32 units were delivered by March 2025; and
- Continued work on the Griffon Limited Life Extension project, progressing towards limited capability software Release 1 for testing in Summer 2026. Software issues have led to significant delays and cost risk. Defence is considering potential mitigation.

Modernizing Joint Logistics

The Joint Logistics Modernization Campaign Plan continues to advance along its four lines of efforts: people, process, technology and systems, and governance. The establishment of the Chief Joint Logistics organization, alongside the integration of the Canadian Materiel Support Group and the Canadian Forces Logistics Training Centre under Canadian Joint Forces Command, strengthened alignment across logistics functions from training through to operational delivery.

These structural changes aim to further align logistics functions from training to operational delivery. The Campaign Plan advanced logistics modernization across multiple areas, including improved governance and data management to strengthen logistics support, as well as investments in education, training, and digital transformation for logistics personnel.

Resources required to achieve results

Table 2.3 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 2.3: Snapshot of resources required for Ready Forces

Resource	Planned	Actual
Spending	$12,320,171,806	$14,578,992,482
Full-time equivalents	42,417	43,293

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, Defence strengthened the institutional foundations for applying Gender-based Analysis Plus (GBA Plus) and intersectional analysis in support of force readiness, personnel programs, and equipment management, enhancing Defence's ability to anticipate and address differentiated impacts across the Canadian Armed Forces.

The Royal Canadian Navy (RCN) advanced unit-level intersectional capacity by mandating GBA Plus training for members in training and personnel policy roles and by requiring all decision briefs to include a dedicated section outlining the gender-based and intersectional impacts, embedding analysis directly into command decision-making. During the year, the RCN delivered a dedicated Gender Focal Point course, strengthening the ability of advisors to support Command Teams in integrating intersectional perspectives into training, deployment planning, and force preparation.

Defence refined its operational planning and reporting mechanisms to strengthen the integration of Women, Peace and Security and GBA Plus considerations into force employment activities. Gender Focal Point network structures were updated across the organization, improving the consistency of intersectional advice available to operational planning staff. Gender Advisors and Gender Focal Points supported readiness activities through engagements with international defence partners, enabling knowledge exchange on integrating intersectional perspectives into operations. The Strategic Joint Staff advanced the integration of GBA Plus and Women, Peace and

Security considerations into key operational planning and development through its Gender Advisory function, contributing to more informed and inclusive force readiness decisions.

Within equipment and procurement management, the Defence Team strengthened governance and accountability for intersectional analysis by separating previously combined culture evolution and GBA Plus functions into distinct roles, adding dedicated intersectional advisory and analytical capacity to embed gender-based analysis consistently across procurement functions and support the delivery of inclusive and operationally relevant equipment.

Program inventory

Ready Forces is supported by the following programs:

- Strategic Command and Control;
- Ready Naval Forces;
- Ready Land Forces;
- Ready Air and Space Forces;
- Ready Special Operations Forces;
- Ready Cyber and Joint Communication and Information Systems Forces;
- Ready Intelligence Forces;
- Ready Joint and Combined Forces;
- Ready Health, Military Police and Support Forces;
- Equipment Support; and
- The Employer Support Programmes.

Additional information related to the program inventory for Ready Forces is available on the Results page on GC InfoBase.

Core responsibility 3: Defence Team

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Resources required to achieve results
- Gender-based Analysis Plus
- Program inventory

Description

Recruit, develop and support an agile and diverse Defence Team, within a healthy workplace free from harmful behaviour; support military families; and meet the needs of all retiring military personnel, including the ill and injured. Strengthen Canadian communities by investing in youth.



Image 3: G7 Summit

A Land Task Force soldier is seen at a mountaintop observation post in the Kananaskis Valley during the G7 Summit in support of Operation CADENCE on 18 June 2025.

Photo: Private Al Roy Ereno, 38 CBG Imagery Technician.

Quality of life impacts

This core responsibility contributes to the Good Governance domain of the Quality of Life Framework for Canada, specifically supporting the 'Democracy and institutions' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 3: Defence Team.

Table 3.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Canadian Armed Forces is growing towards its end state of 101,500 personnel' in the last three fiscal years.

Table 3.1: Canadian Armed Forces is growing towards its end state of 101,500 personnel

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of the Regular Force Establishment that is filled	At least 95%	March 2027	2023-24: 89.1% 2024-25: 91.9% 2025-26: 94.9%[1]
% of Reserve Force positions that are filled	At least 95%	March 2032	2023-24: 77.58% 2024-25: 78.54% 2025-26: 83.99%[2]
% of occupations with critical shortfalls	At most 5%	March 2032	2023-24: 72.9% 2024-25: 69% 2025-26: 58.5%[3]

[1]Although the target was not met, Regular Force recruiting intake reached its highest level in more than three decades in FY 2025-26. Combined with attrition remaining within expected levels, this resulted in a net growth of 2,118 Regular Force members and supports progress toward the CAF's target strength of 71,500 Regular Force members by 2029.

[2]This result represents a 5.45% increase from FY 2024-25. Accurate reporting of the percentage of positions filled in the Primary Reserve is not currently possible under the current establishment. The data reflected in this report is based on a calculation of the Average Paid Strength (the average number of reservists paid per month over the year) divided by the Total Authorized Average Paid Strength of 30,000. The target date for achieving this performance indicator is March 2032.

[3]Current performance remains below the long-term target which is set to be achieved by 2032. 62 of 106 occupations were below 90% Trained Effective Strength and are forecasted to remain so within the next two years, reflecting ongoing shortages in some occupations as well as staffing requirements associated with newly established occupations and positions. Nevertheless, targeted recruitment efforts and a growing proportion of the Regular Force Establishment being filled have led to an improvement of 10.5% from FY 2024-25.

Table 3.2 shows the target, the date to achieve the target and the actual result for each indicator under 'The health and well-being of the Defence team is well supported' in the last three fiscal years.

Table 3.2: The health and well-being of the Defence team is well supported

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of Canadian Armed Forces members who feel positive about their job	At least 85%	March 2026	2023-24: 57.7% 2024-25: 54.6% 2025-26: 61.4%[1]
% of public service employees in the Defence Team who describe the workplace as psychologically healthy	At least 80%	March 2026	2023-24: Not available 2024-25: 60% 2025-26: Not available[2]
% of military personnel who are medically fit for their occupation	At least 90%	March 2026	2023-24: 90% 2024-25: 90.06% 2025-26: 88.8%[3]
% of military personnel who feel that the Canadian Armed Forces provides a reasonable quality of life for service members and their families	At least 85%	March 2026	2023-24: 30.4% 2024-25: 39.4% 2025-26: 42.7%[4]

[1]Feelings of positivity regarding one's job is a component of overall job engagement, which may be impacted by a number of factors. The most recent Your Say Matters Reg. Force results show that meaningful work and pride in organizational membership are among the top factors that have the strongest overall relationships with all outcomes, including job engagement. As such, the DND/CAF will continue to support the well-being of Defence Team personnel overall and invest in programs, policies, and benefits which may influence the positive perceptions of ones job.

[2]Data for this indicator is taken from Public Service Employee Survey (PSES). There was no PSES administered in FY 2025-26, and therefore no results were available. The next PSES will be administered in FY 2026-27.

[3]DND continues to invest in recruitment, healthcare modernization, and digital health initiatives to strengthen capacity and improve service delivery over time.

[4]Overall, 42.3% of Regular Force members and 43.6% of Primary Reserve members reported that the CAF provides a reasonable quality of life for service members and their families, which may be influenced by factors such as postings, relocations, and operational tempo. The Defence Team aims to provide a reasonable quality of life for service members and their families through programs which support health, well-being, fitness, recreation, spousal support, deployment support, and financial well-being.

Table 3.3 shows the target, the date to achieve the target and the actual result for each indicator under 'The Defence team reflects the values and diversity of Canadian society' in the last three fiscal years.

Table 3.3: The Defence team reflects the values and diversity of Canadian society

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of the Canadian Armed Forces (CAF) who self-identify as a woman	At least 25.1%	March 2026	2023-24: 16.5% 2024-25: 16.7% 2025-26: 16.7%[1]
% of public service employees in the Defence team who self-identify as a woman	At least 45%	March 2026	2023-24: 43% 2024-25: 43% 2025-26: Not available[2]
% of the Canadian Armed Forces (CAF) who self-identify as a visible minority	At least 11.8%	March 2026	2023-24: 12.2% 2024-25: 12.5% 2025-26: 13.6%
% of public service employees in the Defence team who self-identify as member of a racialized group	At least 16%	March 2026	2023-24: 11% 2024-25: 12% 2025-26: Not available[2]
% of the Canadian Armed Forces (CAF) who self-identify as an Indigenous person	At least 3.5%	March 2026	2023-24: 3% 2024-25: 2.9% 2025-26: 2.7%[3]
% of public service employees in the Defence team who self-identify as an Indigenous Person	At least 3%	March 2026	2023-24: 3% 2024-25: 3% 2025-26: Not available[2]
% of the Canadian Armed Forces (CAF) who self-identify as victims of harassment	At most 11.9%	March 2029	2023-24: 22% 2024-25: 25.4% 2025-26: 23.9%[4]
% of public service employees in the Defence Team who self-identify as victims of harassment	At most 10%	March 2029	2023-24: Not available 2024-25: 15% 2025-26: Not available[5]
% of public service employees in the Defence Team who have completed mandatory harassment training	100%	March 2026	2023-24: 74% 2024-25: 54.5% 2025-26: 67.8%[6]
% of the Canadian Armed Forces (CAF) who self-identify as victims of discrimination	At most 9.2%	March 2029	2023-24: 16% 2024-25: 18.7% 2025-26: 20.9%[7]
% of public service employees in the Defence Team who self-identify as victims of discrimination	At most 5%	March 2029	2023-24: Not available 2024-25: 9% 2025-26: Not available[5]
Annual number of reported incidents of conduct deficiencies of a sexual nature, harassment of a sexual nature, or crimes of a sexual nature in the Canadian Armed Forces	NIL	March 2029	2023-24: 397 2024-25: 365 2025-26: 357[8]
% of CAF members who agree that culture in the CAF surrounding sexual misconduct has improved in the last 12 months	At least 65%	March 2029	2023-24: 51.8% 2024-25: 49.8% 2025-26: 49.8%[9]
% of CAF members who agree that CAF currently reinforces a culture of mutual respect, trust, honour and dignity	At least 75%	March 2029	2023-24: 62.2% 2024-25: 51.4% 2025-26: 69.3%[10]
Annual number of sexual harassment and/or sexual violence occurrences reported by	NIL	March 2029	2023-24: 15 2024-25: 30

Public Service Employees within the Defence Team under the Workplace Harassment and Violence Prevention (WHVP) Program			2025-26: 21[11]
Number of Canadian Armed Forces (CAF) personnel who are recorded to have attended the Respect in the Defence Team workshop during the fiscal year	TBD	March 2029	2023-24: 2241 2024-25: 2049 2025-26: 1042[12]
% of public service employees in the Defence Team who self-identify as a person with a disability	At least 9%	March 2026	2023-24: 5% 2024-25: 7% 2025-26: Not available[2]

[1]The CAF continues to implement a robust employment equity plan to increase the number of women in the military. This result reflects the percentage of individuals who have chosen to self-identify as women. It does not represent the total percentage of women in the CAF, as individuals may choose not to self-identify for a variety of reasons.

[2]The result is currently unavailable, as the Government of Canada's Employment Equity Annual Report is under embargo pending tabling in Parliament. Results are anticipated for the Fall of 2026.

[3]The CAF continues to modernize its policies to support the recruitment and retention of Indigenous persons in the military. This result reflects the percentage of individuals who have chosen to self-identify as Indigenous. It does not necessarily represent the total percentage of Indigenous persons in the CAF, as some individuals may choose not to self-identify for a variety of reasons.

[4]As the CAF continues to strengthen how they support members who experience harassment in the course of their duties, the number of reported cases has increased. This data trend reflects the results of DND/CAF's ongoing focus on preventing and addressing harassment as early as possible, while ensuring that individuals feel safe and supported when coming forward. An increase in reporting suggests that members have a better understanding of what constitutes harassment and greater confidence in reporting their experiences. Data from this indicator will continue to inform long term culture change efforts and trends will continue to be monitored as the CAF continues to evolve. A range of programs and initiatives are in place to prevent and reduce harassment and discrimination across the CAF while fostering a more inclusive culture. The Workplace Harassment and Violence Prevention (WHVP) program focuses on prevention through training and preventive measures, fostered through the WHVP assessment and resolution of workplace harassment and violence occurrences. At the same time, the department is strengthening and modernizing the complaints process to encourage early identification and resolution of concerns, and to reduce fears of reprisal. This includes developing a comprehensive complaints framework for all Defence Team members across major processes from initial consideration to final resolution, enhancing leadership engagement to support early resolution and healthy workplaces, improving transparency, simplicity, timeliness, consistency, and fairness in outcomes, and promoting greater awareness of available resources and processes.

[5]Data for this indicator is taken from Public Service Employee Survey (PSES). There was no PSES administered in FY 2025-26, and therefore no results are available. The next PSES will be administered in FY 2026-27.

[6]Mandatory harassment training is valid for three years, after which it must be renewed. Completion rates naturally fluctuate due to the renewal cycle, particularly when large groups reach their renewal period or when new course versions are introduced. While the training is mandatory, greater emphasis is needed to support consistent and timely completion across the department.

[7]While the target was not met, increased reporting may be reflective of greater awareness of what behaviours constitute discrimination, and the comfort among victims of discrimination in reporting their experiences. Increased training and education amongst the Defence Team may have also contributed to the survey results.

[8]This indicator reflects reporting patterns, the victim's sense of comfort and support in reporting, and the overall reporting culture, and does not reliably report a prevalence or frequency of conduct deficiencies of a sexual nature. While DND/CAF strives to create a victim-supportive environment, reporting remains a personal decision influenced by numerous factors, and not all who experience misconduct will choose to report. DND/CAF will

always aspire to eliminate misconduct and create an environment where victims feel they can report without retaliation.

[9]Significant work has been completed on the policy front to properly define and identify sexual misconduct and outline leaderships' response to sexual misconduct reports. Key initiatives such as the Sexual Misconduct Incident Management Decision Tree, Sexual and Gender-Based Violence Spectrum, Hateful Conduct Spectrum, and training from the Workplace Harassment and Violence Prevention Centre of Expertise will also continue to promote awareness and eliminate harassment and violence across the Defence Team. Results will improve over time as new policies and initiatives are socialized and adopted within the DND/CAF.

[10]Training and education on professional conduct and ethics is frequently assessed and updated to ensure content is modernized, accurate, and accessible, and delivered in a quality manner, at all levels of leadership. The Professional Conduct and Culture Training and Education Framework, which provides guidance for military Developmental Period training programs across the CAF, as well as the Building Our Future program at the Royal Military College, demonstrate efforts to reinforce the level of professional conduct expected of all CAF members. Professional conduct scenario-based learning vignettes, and workshops like Respect in the CAF further reinforce the standard of acceptable conduct and are regularly offered, and/or participation is encouraged. Results improved significantly from 51.4% last year, reflecting recognition of efforts to strengthen a culture of respect, trust, honour, and dignity.

[11]This indicator reflects reporting behaviours specifically, the extent to which individuals feel safe, supported, and confident in reporting rather than a direct measure of the prevalence of misconduct. It provides insight into perceptions of psychological safety, trust in the reporting process, and the overall reporting culture within the organization. While DND/CAF is committed to fostering a safe and supportive environment for those affected by workplace harassment and violence, reporting remains a personal decision influenced by numerous factors, and not all who experience workplace harassment and violence will choose to come forward.

[12]The decrease observed in FY 2025-26 was primarily driven by competing operational priorities that limited participation opportunities, as well as the cancellation of several workshops due to insufficient attendance. Awareness and uptake may have been affected by differing levels of understanding regarding program requirements and participation expectations. A targeted communications campaign supporting the rebranding of Respect in the Canadian Armed Forces and the launch of the Inclusion and Respect in Defence workshop in Fall 2026 is expected to improve awareness, engagement, and participation.

Table 3.4 shows the target, the date to achieve the target and the actual result for each indicator under 'Military families are supported and resilient' in the last three fiscal years.

Table 3.4 Military families are supported and resilient

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of Canadian Armed Forces families who feel they meet the challenges of military life	At least 85%	March 2026	2023-24: 81.7% 2024-25: 81.7% 2025-26: 81.7%[1]
% of Canadian Armed Forces members who are satisfied with the overall support their family receives from the Canadian Armed Forces	At least 85%	March 2026	2023-24: 57.7% 2024-25: 65.4% 2025-26: 62.8%[2]

[1]This result remains unchanged from previous years as the Quality of Life Survey is only administered every four years. The next survey is scheduled for 2027-28. Canadian Forces Morale and Welfare Services continues to enhance the well-being and resilience of military families at home and abroad by providing a wide variety of in-person and virtual services through the Military Family Services Program, such as relocation support, spousal employment support, and family counselling and healthcare support.

[2]Overall, 62.6% of Regular Force and 63.3% of Primary Reserve reported that they felt satisfied with the overall support of their family by the CAF, which may be influenced by factors such as postings, relocations, absences, and operational tempo. The Defence Team has continued its efforts in investigating what factors most greatly impact military families and continue to invest in programs to support their well-being.

Table 3.5 shows the target, the date to achieve the target and the actual result for each indicator under 'Youth in Canada are provided with experience and opportunities that enable a successful transition to adulthood' in the last three fiscal years.

Table 3.5: Youth in Canada are provided with experience and opportunities that enable a successful transition to adulthood

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of the target Canadian youth population that participates in Cadets and Junior Canadian Rangers	At least 2%	March 2026	2023-24: 1.71% 2024-25: 1.89% 2025-26: 2.02%

The Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

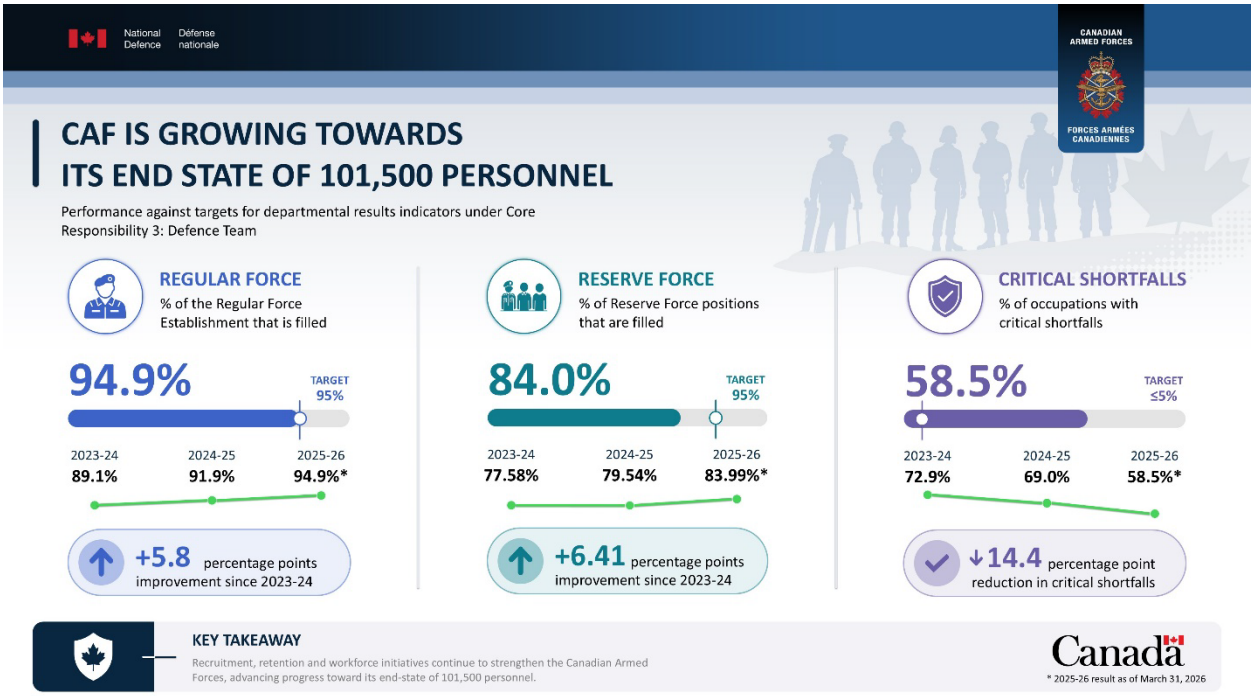
The following section describes the results for Defence Team in 2025-26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Canadian Armed Forces is growing toward its end state of 101,500 personnel

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) advanced recruitment, retention, and workforce modernization initiatives to strengthen force readiness and meet operational demands across the Royal Canadian Navy (RCN), the Canadian Army (CA) and the Royal Canadian Air Force (RCAF).

Infographic 2: CAF is growing towards its end state of 101,500 personnel



Modernizing Military Compensation

In August 2025, the Prime Minister and the Minister of National Defence announced compensation updates including a significant, pensionable pay adjustment retroactive to April 2025.

The CAF pay raise reflects the modernization of the Military Factor to appropriately compensate CAF members for the unique demands of military service. As part of this effort, seven compensation and benefits initiatives were implemented to improve recruitment, retention, and member support:

- Military Factor Pay Adjustment;
- Recruitment Allowance for hard-to-fill occupations;
- Improved Imposed Restriction Allowance;
- Instructor Allowance;
- Posting Frequency Allowance;
- Environmental Allowances; and
- Domestic Operations Allowances.

Recruitment and Attraction

DND/CAF strengthened recruitment performance and capacity in FY 2025-26:

- Surpassed the Strategic Intake Plan goals for the second consecutive year, enrolling 7,310 Regular Force members against a target of 6,957;
- Improved recruitment capacity through streamlined processes, enhanced digital tools for applicants and recruiters, and alignment of growth to priority occupations, resulting in increased enrolment in hard-to-fill trades;
- Advanced the "This is For You" recruiting campaign, focused on recruiting women, Indigenous applicants, and priority occupations, through national virtual and in-person outreach activities;
- Leveraged His Majesty's Canadian Ship *Margaret Brooke* Great Lakes deployment to support recruiting efforts, engaging over 24,700 Canadians across multiple cities and Indigenous communities;
- Implemented the Affinitas recruiting platform, to improve the effectiveness of recruiting events, resulting in more efficient employment of recruiting resources;
- Enrolled a record 1,424 sailors and achieving 89.6% of RCN's annual recruiting target. Recruiting into several technical occupations more than doubled compared with the previous year, while a record number of serving Canadian Armed Forces members transferred into the Navy through the Naval Experience Program; and
- Targeted outreach and engagement activities supported by refreshed messaging, increased social media presence, and over 25 virtual and 105 in-person events increased awareness of RCAF career pathways.

Retention and Training

DND/CAF advanced retention and training initiatives to sustain workforce growth and readiness:

- Maintained CAF Regular Force attrition below forecasted levels. Overall attrition was 8.5%, below the forecast of 9.3% with both voluntary and medical attrition at 3.9%;
- Commenced development of a Retention Secretariat to strengthen strategic coordination, governance and resource optimization, to address acute attrition issues in the CAF;
- Implemented instructor screening and standardization across Military Personnel Generation Training Group training establishments, to improve instructor readiness and consistency in training delivery;
- Advanced training modernization through partnerships with colleges and alternative qualification pathways, including civilian education and prior learning recognition, which improved efficiency, and minimized training time and costs for members to achieve Occupational Functional Point; and
- The CA introduced the Canadian Army Soldier First Course, graduating 208 soldiers in FY 2025-26. By standardizing Army-specific training immediately following Basic Military Qualification, upon course completion, soldiers reached their Employment Functional

Point, enabling them to gain practical experience while awaiting occupation-specific training, thereby reducing training bottlenecks.

Modernization and Efficiency

DND/CAF modernized recruitment, training, and workforce structures to support long-term force generation:

- Launched the Online Applicant Portal 1.0, which significantly digitized and automated the CAF application process, reducing in-person visits and administrative burden for recruiters by allowing greater focus on applicant engagement;
- Integrated digital solutions into recruiting centres to streamline security clearance and medical processing, including using the Royal Canadian Mounted Police for adverse criminal record name checks and a triage process to optimize medical processing;
- Completed a comprehensive Modernization Transformation Roadmap and advanced implementation of the Digital Onboarding System and future Digital Recruiting System, both of which are integral to the transformation to significantly improve the overall applicant experience;
- Initiated the modernization of all naval occupations to re-align training, competencies, and career pathways with the technologies and operational requirements of new fleets. Several modernized occupational structures and training programs were brought online, including two new occupations to support vessel operation and maintenance;
- Advanced workforce modernization by aligning skills and occupations through the Future Operation Working Group. Achievements include advancing the creation of four new occupations – Aerospace Operations Planning Technician, Flight Systems Operator, Security Forces Operator and Space Missions Operator – as well as the modernization of nine others;
- Expanded the Cyber Operator occupation, with 50 new positions created to bring the total to 292 and achieved 100% of the Strategic Intake Plan achieved. A new contract was finalized with Algonquin College's Ottawa campus, supporting Regular Force training delivery;
- Improved enterprise information and communication technology planning and delivery, enabling more streamlined access to digital tools and systems across the department;
- Supported the development of future-oriented digital capabilities, including artificial intelligence and data-enabled solutions, enhancing decision-making, training environments, and overall workforce effectiveness;
- Expanded intelligence training capabilities to support increased intelligence recruitment, including modernized training for Intelligence Officer, Intelligence Operator, Meteorological Technician, Source-Handle Operator, and Counterintelligence Operator occupations for both Regular and Reserve force; and
- Modernized recruitment processes within the Defence Intelligence Officer Recruitment Program, a highly competitive development program that generates civilian analysts for the defence intelligence enterprise.

The health and well-being of the Defence Team is well supported

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) strengthened readiness and well-being through policy modernization, expanded health services, improved transition supports, and enhanced workplace programs that support members across their careers and into post-service life.

Modernizing Policies and Career Support

DND/CAF modernized policies and programs to better reflect the realities of military service and support members throughout their careers:

- Modernized the Universality of Service policy to ensure continued operational effectiveness while reflecting the realities of modern military service. This update established defined and measurable operational standards - rooted in evidence and compliant with the *National Defence Act*, the *Canadian Human Rights Act* and the *Accessible Canada Act*;
- Delivered national outreach and in-person training sessions to inform CAF members of the modernized Return to Duty Program and its contribution to their return to full duty following illness or injury;
- Introduced the in July 2025 to offer ill and injured Reservists a period of Reserve service while being supported until they have either returned fit for general duties in the Reserve Forces, or are released from the CAF;
- Expanded and modernized the National Resource Directory to broaden external support beyond transition services, improving awareness and access to these services to enhance transition preparedness and continuity of care for CAF members and their families;
- Expanded and modernized the Digital Transition Centre in March 2026, improving access to services, enhancing decision-making, and improving support for members throughout their transition from military to post-service life; and
- Completed the CAF Offer Guiding Principles, covering career, compensation, benefits, and work-life and embedded them in the 'Compass' policy development tool.

Strengthening Health Care and Mental Health Services

DND/CAF strengthened health care delivery through more integrated and accessible services:

- Strengthened healthcare delivery through an integrated, whole-person approach, improving access, consistency, and coordination of care. Improvements to policies, care models, and clinical pathways, expanded multidisciplinary teams and reinforced rehabilitation approaches supported timely recovery and return to duty. Modernized preventive health assessments improved the early identification of risks and long-term health outcomes;
- Increased clinical mental health services capacity through enhanced multidisciplinary teams and expanded access to both in-person and virtual care. Initiatives improved early intervention, streamlined care pathways, and reduced barriers to accessing support; and

- Progressed modernization of the Electronic Health Record system to improve clinical care and decision-making by advancing requirements development and early engagement with industry partners.

Enhancing Physical Fitness and Performance

DND/CAF advanced fitness and wellness programming to better support diverse members' needs:

- Delivered the CAF Women and Gender-Diverse Physical Fitness and Wellness lifecycle-based programming with efforts continuing on the structure analysis and evaluations of the Prenatal and Postpartum Program. Further, menopause-focused fitness and wellness program development was also initiated in FY 2025-26; and
- Progressed toward the launch of the Physical Performance Platform, which focused on functionality, training, and change management for Personnel Support Program staff.

Supporting Disability Management and Workplace Support

DND strengthened workplace support services for civilian employees:

- The Office of Disability Management (ODM) delivered expert disability management services to DND and Canadian Coast Guard public service employees and CAF managers of public service employees, providing support for matters related to illness, impairment, and injury. The ODM received 3,397 requests for support and resolved 3,308 cases, with 73% of resolved cases resulting in employees returning to or remaining at work. Services included support for work-related injuries support, medical accommodations, the Civilian Employee Return to Work Program, long-term absence management, Accessibility Passport, and guidance on medical retirement; and
- The Employee Assistance Program (EAP) supported employee well-being across DND by providing employees and their families with access to crisis and short-term counselling, wellness coaching, and online resources for personal and work-related challenges. Overall use of the EAP remained consistent in FY 2025-26 with 10.2% of employees accessing its services.

Advancing Restorative Engagement and Inclusive Practices Through Culture Change

DND strengthened workplace support services for civilian employees:

- DND/CAF supported the Defence Team's participation in the Restorative Engagement Program mandated by the CAF-DND Sexual Misconduct Class Action Settlement. Defence representatives were deployed to 21 cohorts to strengthen understanding of sexual misconduct, develop restorative leadership skills, and build capacity to contribute to culture change. Representatives engaged with class members to learn about the misconduct that they experienced, acknowledge harm, and apologize on behalf of the institution. These engagements informed peer-level knowledge sharing and contributed to positive culture change across the Defence Team;
- The Defence representatives Alumni Community continued to support Restorative Engagement program delivery by leading engagements with class members where representatives could not support. Work is ongoing to ensure that the insights and lessons

learned by the Alumni Community are strategically integrated into future culture change efforts;

- DND/CAF continued advancing efforts to build an inclusive Defence Team, including completion of the annual Defence Team Accessibility Online Consultation. Data and insights from consultations were analyzed and key findings used to inform workplans;
- Advanced initiatives include development of the Defence Team 2025-27 Accessibility Plan, which includes a refined performance measurement framework, and completion of the 2025 Accessibility Plan Progress Report. Efforts also increased awareness of the Government of Canada Workplace Accessibility Passport; and
- Departmental policies and procedures were further modernized, including updates to processes for replacement of commissioning scripts and scrolls, to better reflect name changes related to marriage, divorce, gender identity, or other personal reasons.

Implementing Systemic Reform and Culture Evolution

In FY 2025-26, DND/CAF continued to implement the Comprehensive Implementation Plan that responds to four key external independent reviews: the Minister of National Defence Advisory Panel on Systemic Racism and Discrimination; the Independent External Comprehensive Review; the Third Independent Review of the *National Defence Act*; and the National Apology Advisory Committee Report. The following progress was made to address the recommendations from these reports:

- To date, 126 of 194 external recommendations have been addressed, including full implementation of those from the National Apology Advisory Committee and the Advisory Panel on Systemic Racism. Remaining recommendations largely depend on legislative changes, including one recommendation from the Independent External Comprehensive Review—linked to Bill C-11, the *Military Justice System Modernization Act*—and 67 recommendations from the Third Independent Review, most of which focus on reforms to the military justice system;
- Continued implementation of the Culture Evolution Strategy, including organizational culture plans, embedding Gender-based Analysis Plus into decision-making, building conduct and culture support capacity, expanding discussions on culture change, and introducing programs and tools to strengthen psychological safety at the unit level; and
- Advanced key governance and anti-racism initiatives, including the delivery of the CAF Apology for Racial Discrimination and Racial Harassment, and the establishment of the CAF Systemic Racism Class Action Coordinating Committee to support the implementation of systemic relief measures across the Defence Team. Work is underway to establish a Ministerial Advisory Committee on Anti-Black Racism. In addition, the Anti-Racism Framework and Lens were published to help Defence Team members identify and consider potential racial impacts in policies, programs, decisions, and day-to-day activities.

Strengthening Support for Victims and Affected Members

In FY 2025-26, DND expanded services and support for members affected by sexual misconduct and racism:

- The Victim's Liaison Officer (VLO) Program continued delivering professional development sessions to ensure VLOs remained current on their roles and responsibilities. An additional 54 VLOs were qualified across the CAF, strengthening support for victims' rights to information, participation, protection, and restitution;
- The Defence Community Support and Resource Centre (DCSRC) (formerly known as the Sexual Misconduct Support and Resources Centre) expanded its mandate to deliver Restorative Engagement on Systemic Racism under the Canadian Armed Forces Systemic Racism Class Action Final Settlement, extending support to a broader population;
- The DSCRC responded to 838 calls through the Support Line and, in July 2025, entered an agreement under which Health Canada responds to overnight calls to ensure 24/7 call coverage, with after-hours support provided through an independent EAP offered by Health Canada;
- Supported 383 clients through the Response and Support Coordination Program, including over 174 new client referrals;
- Supported 249 clients through the Military Liaison Team to provide guidance on reporting options, facilitate communication with affected members and chains of command, and support chains of command to address instances of sexual misconduct;
- Received 36 applications under the Community Support for Sexual Misconduct Survivors Grant Program;
- Delivered bilingual peer support activities, including trauma-informed yoga and virtual coffee chats, alongside existing virtual group services, in partnership with Veteran Affairs Canada;
- Expanded international engagement, including knowledge sharing with partner organizations such as the Vietnamese delegation in October 2025, and a webinar with the Latin American Security and Defence Network in March 2026;
- Strengthened services for clients affected by sexual misconduct informed by community consultations. Advanced the Independent Legal Assistance program to phase two of its development offering free and confidential legal services; and enhanced and expanded the Peer Support Program through improved accessibility and service design;
- Continued implementation of a research agenda to better understand contextual factors related to sexual misconduct and support the needs of individuals reintegrating into or releasing out of the CAF;
- Expanded support to members of the Defence community affected by racism, including specialized training to strengthen support capacity, and community consultations to inform the design and implementation of Restorative Engagement on Systemic Racism; and
- Provided $2 million in funding to 48 organizations across Canada to support prevention, education and survivor services.

Streamlining and Modernizing the Grievance Process

In FY 2025-26, DND/CAF strengthened grievance resolution and workplace climate:

- Established the Director General Canadian Forces Grievance Authority and a Grievance Centre of Expertise, increasing capacity, reducing backlog, and strengthening system effectiveness through higher grievance throughput, improved compliance and timeliness, clearer policy direction, and an enhanced user experience;
- Modernized grievance policy updates, resulting in major regulatory modernization effective 1 April 2026, and alignment across updated Defence Administrative Orders and Directives and Queen's Regulation and Orders Chapter 7 (Grievances); and
- Modernized grievance training by incorporating practical scenarios and improved communication tools to support Commanding Officers and Assisting Members. Mandatory recertification for Assisting Members was implemented with a five-year validity period. Training is being reviewed and updated to align with the new policy and regulatory framework.

Strengthening Workplace Harmony

In FY 2025-26, DND/CAF strengthened workplace harmony though the following efforts:

- The Defence Team Coaching Program (DTCP) enhanced leadership capacity through inclusive coaching and leadership initiatives. DTCP successfully delivered more than 400 individual coaching programs, 38 team programs, and 1,000 psychometric assessments with 92% of participants reporting improved understanding of effective leadership;
- The Leadership Support Team (LST) strengthened command teams' understanding of workplace climate and enabled evidence-informed action. Through more than 20 unit engagements, the LST identified and mitigated workplace risks, supporting earlier intervention, stronger leadership decisions, and more consistent responses to workplace challenges. LST activities boosted operational readiness, supporting ethical, inclusive, and effective leadership aligned with the DND/CAF Code of Values and Ethics;
- Conflict and Complaint Management Services provided more than 7,000 consultations and 25,000 briefings on conflict and complaint management to Defence Team members. More than 9,000 CAF members received conflict management training through specialized institutions;
- Seventy percent of mediation files (including facilitation, conciliation, multi-party) were fully or partially resolved, fostering healthier and more respectful workplaces;
- Canadian Special Operations Forces Command's Optimizing Performance Force and Family program modernized its Performance Measurement Framework to establish meaningful, outcome-focused metrics that are aligned with leadership priorities. Early insights enabled increased staffing and strengthened integration within the physical and family domains, enhancing the consistency of support for personnel and families. The continued maturation of this framework will further enhance capacity to capture and track key metrics consistently; and

- The Professional Conduct and Culture Team expanded character-based leadership training, strengthening leadership effectiveness, reinforcing professional conduct, and fostering cohesive, respectful, and inclusive psychological safety in high-demand environments.

The Defence Team reflects the values and diversity of Canadian society

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) strengthened hiring practices, expanded leadership development and removed barriers to build a more diverse and inclusive public service workforce that better reflects the diversity and values of Canadian society.

Strengthening Hiring Practices and Representation

In FY 2025-26, DND advanced employment equity and diversity outcomes through targeted recruitment and improved staffing processes:

- Advanced the 2024-27 Employment Equity, Diversity, and Inclusion (EEDI) Plan, by incorporating employment equity data into hiring decisions introducing new tools and checklists to make staffing decisions more consistent;
- Completed the first year-end reporting cycle for the EEDI Plan, providing a clearer picture of progress toward representation targets and identifying areas for improved accountability;
- Established the EEDI Coordinators Network to advance employment equity initiatives and share effective practices across the department;
- Streamlined Employment Equity (EE) recruitment by centralizing all EE staffing activities under a dedicated team and implementing a cyclical recruitment action plan;
- Improved hiring manager access to diverse talent pools by creating a targeted talent pool for persons with disabilities and racialized individuals, resulting in 300 qualified candidates for Economics and Social Science Services positions, and 13 candidates for specialized machine learning roles;
- Maintained diverse assessment boards for all executive-level staffing interviews with boards reflecting gender diversity and employment equity, in line with the *Employment Equity Act*, and conducted interviews in the candidate's official language of choice;
- Continued to strengthen the leadership pipeline through the Executive Development and Executive Sponsorship programs, adding 45 new sponsorship pairings between senior leaders and employees from Black, Indigenous, and racialized communities;
- Identified systemic barriers through the Employment Systems Review and analysis of Public Service Employee Survey results, helping inform future measures to improve representation and remove barriers for equity-seeking groups including Indigenous, Black, and racialized employees;
- Strengthened support for Indigenous employees by enhancing the Indigenous Career Navigator Program, which saw a significant increase in participation and engagement compared to the previous fiscal year;

- Participated in a research initiative led by the Treasury Board of Canada Secretariat and the Privy Council Office that examined barriers and enabling factors affecting Black public servants;
- Launched a new employment equity dashboard with monthly updates to give leaders a clearer view of workforce representation, and began integrating of the updated Government of Canada Self-Identification Questionnaire into workforce planning systems; and
- Continued delivery of the Raven Program, enrolling participants into the Canadian Armed Forces through this six-week initiative that combines Indigenous cultural teachings with naval-focused military training to support recruitment and early force development. This program supported recruitment initiatives while fostering greater awareness and inclusion of Indigenous perspectives within the Navy.

In FY 2025-26, the Department published the Chief of Defence Staff and the Deputy Minister Directive: Progressing Women, Peace and Security (WPS) Commitments in Defence to clarify roles, responsibilities, and tasks regarding Defence WPS commitments, and identify resources and training required to establish and maintain WPS-related expertise:

- Advanced updates to the Defence Team Code of Values and Ethics, to ensure it reflects the needs of a growing Defence Team and an increasingly complex operating environment; and
- Updated policies and tools designed to combat sexual misconduct and hateful conduct, including to the Misconduct Incident Management Decision Tool, and the Hateful Conduct and Sexual and Gender Based Violence spectrums to improve accessibility, incorporate Gender-based Analysis Plus considerations, and ensure information is accurate, and clear.

Building Inclusive Healthcare Services in the Canadian Armed Forces

In FY 2025-26, Defence undertook initiatives and collaborations to ensure healthcare services are inclusive and responsive to the varied needs of its diverse members, with the goal of supporting a more inclusive and responsive health system. Actions included:

- Enabled clinicians through clinical guidance, expanded education, awareness and access to specialist expertise, supporting evidence-informed, inclusive care;
- Improved understanding of the health needs of diverse populations through research and engagement, informing policies and programs that enhance equitable access to care; and
- Delivered targeted services, including expanding access to screening and preventive care, advancing more accessible and stigma-reducing approaches to testing, and supporting research to inform inclusive health policies and programs.

Advancing Conduct and Culture Evolution

In FY 2025-26, DND and the Canadian Armed Forces (CAF) continued to strengthen professional conduct and inclusive culture across the Defence Team:

- Delivered the Canadian Army's Instructor Professional Growth Program; resulting in 57 qualified personnel;
- Delivered the Defence Ethics Program to strengthen ethical decision-making, accountability, and trust across the force. Culture Evolution Coordinators at the Wing level

supported leaders by identifying trends, advising on conduct and culture issues, and enabling more responsive, context-specific interventions; and

- The Canadian Special Operations Forces Command advanced its Culture Evolution Strategy to focus on a bottom-up approach through the Unit Culture Advisory Teams (UCAT). The Command Culture Advisory Board updated governance and business continuity planning to enable UCAT evolution to meet the unique needs of each unit. Engagements formalized existing practices and communicated best practices.

Honouring Canadians Who Have Served

In FY 2025-26, though Operation DISTINCTION, DND/CAF supported national commemorative activities to honour Canadian service and reinforce remembrance across the country and internationally. Key contributions included:

- Deployed approximately 180 CAF members to support Veterans Affairs Canada (VAC) commemorative ceremonies marking the 80th anniversary of the liberation of the Netherlands (27 April to 9 May 2025);
- Supported VAC with approximately 180 CAF members, two ships for a sail past and one CP-130 for a fly past to mark the 35th anniversary of the Gulf War at Canadian Forces Base Halifax and the Royal Canadian Legion (26-28 February 2026);
- Deployed 210 CAF members and 10 Canadian Rangers in support of the National Sentry Program, to stand sentry at the Tomb of the Unknown soldier daily from 9 April to 10 November 2025, to honour Canadian military service and national remembrance traditions;
- Provided ceremonial support during the Remembrance Day Sentry Program with CAF personnel trained and coordinated by National Commemoration staff to deliver ceremonial duties at key events; and
- Supported commemorative activities in Toronto (6-8 May 2025), including ceremonies at the provincial legislature, Coronation Park, and the CN Tower.

Military families are supported and resilient

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) strengthened support to CAF members and their families through a range of in-person and virtual services, improving access to childcare, financial support, healthcare, and resilience programming.

Enhancing Family Support Services

The following achievements are noted for FY 2025-26:

- Enhanced the CAF Child Care Programme, improving quality, safety and accessibility of childcare services for military families through staffing and training of new personnel, equipment upgrades, and targeted investments. Military Family Services provided virtual support to over 300 families (representing 375 children) to help identify childcare solutions;
- Distributed $6.8 million to support childcare enhancements, respite care, relocation support, services in underserviced areas, and inclusion for children with special needs;

- Delivered over 5,300 financial counselling sessions, supporting over 3,900 CAF members and their families, complemented by webinars, online resources, and in-class instruction;
- Provided the Military Family Virtual Healthcare Program to military families living in Canada, conducting over 8,000 virtual appointments with licensed Canadian practitioners; and
- Delivered the Bilingual Spiritual Resilience Series, providing accessible online resources to support chaplain-led programming.

Supporting CAF Spouses and Partners

DND/CAF strengthened access to employment and career development opportunities for civilian spouses and partners:

- Expanded the Military Spousal Employment Network to connect 67 employer partners with over 1,000 new spouses and partners;
- Promoted the Military Spouse Employment Initiative within DND and across the federal government through career fairs, employer information sessions, and targeted outreach including a presentation to all heads of human resources organizations across the public service in March 2026 to advance broader awareness of the initiative, contributing to a 40% increase in the hiring of military spouses and common-law partners hiring, compared to the previous year;
- Improved job advertisements by introducing clearer screening criteria and by highlighting priority fields, such as information technology, engineering, and skilled trades;
- Provided 453 spouses with access to confidential virtual one-on-one career coaching and 22 resources in a digital learning library for self-paced learning;
- Provided live career development training to 311 spouses and information and referrals to 119 spouses;
- Distributed 618 licenses to LinkedIn Learning to build in-demand skills with access to thousands of expert-led courses;
- Improved candidate employability through second-language training, expanded to support 443 CAF partners and spouses for a total of 2,696 learners, including licenses for children for the first time; and
- Offered quarterly second language evaluation testing, helping 274 candidates obtain valid language test results for employment within the Government of Canada.

Strengthening Mental Health Support

In FY 2025-26, the Canadian Special Operations Forces Command Optimizing Performance Force and Family Program advanced key initiatives to strengthen internal mental health support capacity and enhance the quality of mental health injury prevention programming:

- Doubled military clinician capacity with continued growth projected into 2026;
- Advanced expansion of the Public Service workforce, improving continuity of care, strengthening operational support, and reducing reliance on external service providers;

- Completed comprehensive reviews and evaluations of mental health prevention training and professional development activities;
- Optimized mental health prevention programs, improving alignment with member needs; and
- Developed common evaluation tools, enabling more responsive and evidence-based program planning.

Youth in Canada are provided with experience and opportunities that enable a successful transition to adulthood

Results Achieved

In fiscal year (FY) 2025-26, Defence continued to deliver measurable outcomes for Canadian youth through the Cadet and Junior Canadian Rangers (JCR) programs, providing structured, inclusive, and community-based experiences that support youth leadership, resilience, and confidence.

Participation grew to 61,020 Cadets and 3,530 JCR, surpassing 2% of the Canadian youth population. This growth reflects renewed youth engagement and sustained community demand, reinforcing the programs' contribution to youth readiness, confidence, and successful transitions into adulthood.

Enabling Canadian Youth to Grow, Lead, and Transition into Adulthood

In FY 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) delivered programming that supported youth development, leadership, and community engagement:

- From September to June 2025, the Cadet programs delivered community-based programming across Canada, complemented by area, regionally, and nationally directed activities. For JCRs, local community sessions and Enhanced Training Sessions further strengthened skill development and community connection; and
- In December 2025, DND announced the 2026 Summer Training program, which will deliver in-person Cadet training at Cadet Training Centres, digital learning through the Technology and Digital Learning Centre, and JCR Enhanced Training Sessions to augment locally delivered programming.

Sustaining Progress and Improving Delivery

In FY 2025-26, DND/CAF continued to improve programme delivery to better meet youth and community needs:

- Streamlined attraction and recruitment processes to improve accessibility and participation;
- Adapted delivery models to provide greater flexibility across diverse communities;
- Prioritized support to communities with the greatest needs;
- Strengthened partnerships with communities and volunteers to support programme delivery; and

- Improved performance measurement to better capture youth outcomes, including leadership, well-being, engagement, and confidence.

Resources required to achieve results

Table 3.6 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 3.6: Snapshot of resources required for Defence Team

Resource	Planned	Actual
Spending	$4,406,612,568	$5,348,603,410
Full-time equivalents	22,295	22,668

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, the Defence Team further institutionalized the application of Gender-Based Analysis Plus (GBA Plus) across its workforce, governance structures, and support services, strengthening the foundations for more equitable and inclusive outcomes across Defence programs and policies. These efforts supported improved recruitment, retention, workplace well-being, and service delivery outcomes across the Defence Team.

From a governance and policy perspective, GBA Plus was more systematically embedded into personnel and workforce policies, making intersectional analysis a formal consideration in how Defence attracts, selects, and supports its people. New data collection tools enabled consistent tracking of differential impacts across policy development, complemented by workplace climate assessments and internal coordination mechanisms to identify and addressing systemic barriers. GBA Plus was established as a mandatory requirement for policies submitted for approval, supported by senior-level oversight and a network of intersectional advisors integrating gender, Indigenous, and youth perspectives. Together, these measures improved the analytical rigour, coherence, and inclusivity of personnel policy development.

In the area of culture and organizational accountability, Defence released a Culture Evolution Action Plan in February 2026 for the Cadet and Junior Rangers programs. The plan embedded intersectional analysis into governance, decision-making, and accountability structures and introduced concrete mechanisms including advisory engagement, organizational culture reviews, and analysis of grievance trends. These measures reinforced leadership accountability and supported sustained culture change within youth programs.

Defence also strengthened the effectiveness of its family and community support services by applying GBA Plus into performance measurement and client experience frameworks. In parallel, staff learning initiatives that focused on anti-racism, cultural safety, and Positive Space increased organizational capacity to identify and address barriers in service delivery, supporting more accessible, responsive, and inclusive support services for Defence Team members and their families.

Program inventory

Defence Team is supported by the following programs:

- Recruitment;
- Individual Training and Professional Military Education;
- Total Health Care;
- Defence Team Management;
- Military Transition;
- Military Member and Family Support;
- Military History and Heritage;
- Military Law Services / Military Justice Superintendence;
- Ombudsman; and
- Cadets and Junior Canadian Rangers (Youth Program).

Additional information related to the program inventory for Defence Team is available on the Results page on GC InfoBase.

Core responsibility 4: Future Force Design

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Resources required to achieve results
- Gender-based Analysis Plus
- Program inventory

Description

Develop and design the future force through a deep understanding of the future operating environment and security risks to Canada and Canadian interests. Enhance Defence's ability to identify, prevent, adapt and respond to a wide range of contingencies through collaborative innovation networks and advanced research.



Image 4: Operation HORIZON – HMCS *Charlottetown*

Boatswain onboard HMCS *Charlottetown* performs checks on the engine of a Hammerhead drone while sailing for Operation HORIZON on 5 March 2026.

Photo: Master Sailer Alexandre Heagle, Canadian Armed Forces Imagery Technician.

Quality of life impacts

This core responsibility contributes to the Good Governance domain of the Quality of Life Framework for Canada, specifically supporting the 'Democracy and institutions' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 4: Future Force Design.

Table 4.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Defence capabilities are designed to meet future threats' in the last three fiscal years.

Table 4.1: Defence capabilities are designed to meet future threats

Departmental Result Indicator	Target	Date to achieve target	Actual Result
Degree to which the capability deductions contained within the Force Capability Plan (FCP) are coherent with those of our allies and partners	Between 2-3[1]	March 2026	2023-24: Not available 2024-25: 2 2025-26: 2
Degree to which future capability requirements identified in the Force Capability Plan (FCP) have been accounted for in Force Development and Design (FD&D) planning	Between 2-3[1]	March 2026	2023-24: Not available 2024-25: 1 2025-26: 1[2]
Degree to which the Defence Investment Plan (IP) accounts for future capability requirements as identified in the Force Capability Plan (FCP)	Between 2-3[1]	March 2026	2023-24: Not available 2024-25: 1 2025-26: 1[3]

[1]Results are assessed using an approved 3-point rating scale, where a score between 2 and 3 indicates the target has been met.

[2]Precise data to support the metric is still in development. The Capital Investment Program Plan Review includes data for 187 funded and unfunded projects in Identification, Options Analysis, and Definition phases. The data includes mapping to 477 capability deficiencies identified by the Concept Driven Threat Informed Planning process. Of these 477 deficiencies, 179 are being addressed to some degree by identified projects. Of the 187 projects, 159 are addressing, fully or partially, at least one identified deficiency. As Defence continues to refine and prioritize gaps in key areas, this indicator is expected to improve in the coming years.

[3]Precise data to support this indicator is still under development. The Capital Investment Program Plan Review includes data for 70 funded projects in the Identification, Options Analysis, and Definition phases. The data includes mapping of 477 identified capability deficiencies, 36 of which are being addressed to some degree by 54 of the 67 identified funded projects contributing to the same gaps. As Defence continues to refine and prioritize gaps in key areas and increased departmental funding increases allocation to priority projects, this indicator is expected to improve in the coming years.

Table 4.2 shows the target, the date to achieve the target and the actual result for each indicator under 'Defence and security challenges are addressed through innovative solutions' in the last three fiscal years.

Table 4.2: Defence and security challenges are addressed through innovative solutions

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of DND/CAF strategic initiatives and projects that are supported by Defence Science and Technology	At least 75%	March 2028	2023-24: Not available 2024-25: Not available 2025-26: Not available[1]
% of Innovation for Defence Excellence and Security (IDEaS) projects that resulted in useful advice, adoption, integration or eventual procurement of a new defence and security capability	At least 20%	March 2026	2023-24: 79.5% 2024-25: 81.6% 2025-26: 79.42%

[1]No results are available, as this indicator is undergoing revision to reflect a new methodology and data source.

The Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Future Force Design in 2025-26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Defence capabilities are designed to meet future threats

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) advanced science, technology, and capability development initiatives to ensure defence capabilities remain aligned with an evolving global security environment. These efforts strengthened preparedness, improved resilience, and positioned the Defence Team to effectively address future threats.

The Defence Team emphasized early prototyping, experimentation, and operationally informed testing. Targeted investments in workforce capacity, enabling infrastructure, and secure research governance supported delivery. This resulted in advances across space domain awareness, semi-autonomous systems, cyber resilience, quantum technologies, and sensing domains.

Advancing Future Defence Capabilities

Defence advanced North American Aerospace Defense Command (NORAD) Modernization through targeted investments in science and technology that strengthened operational effectiveness and readiness in contested and Arctic environments.

In FY 2025-26, Defence invested $10 million through the Semi-autonomous Systems initiative and supported the acquisition of the Laflamme LX300 Unmanned Aircraft System. Defence also advanced trials to improve Royal Canadian Navy (RCN) platform signature management and ice

navigation capabilities, as well as Royal Canadian Air Force (RCAF) and RCN electronic warfare trials.

Supporting NORAD Modernization through Science and Technology

Defence advanced research and development investments to strengthen detection capabilities, Arctic surveillance, and resilience against emerging threats.

In FY 2025-26, Defence advanced new maritime surveillance technologies, including fixed sensors and long-range underwater autonomous vehicles to strengthen detection capabilities. A $48.4 million contract for an experimental Polar Over-the-Horizon Radar (P-OTHR) prototype system was awarded in the Northwest Territories, and Canada signed an agreement with Australia to co-develop Arctic Over-the-Horizon-Radar technologies in support of Canada's future sovereign P-OTHR program.

Defence also advanced Low Earth Orbit satellite communications through the Innovation for Defence Excellence and Security "Gateway to the Stars" challenge and progressed alternative energy solutions for deployed camps and remote sensing infrastructure through a collaborative activity proposal under the International Cooperative Engagement Program for Polar Research. In addition, Defence leveraged the Australia-Canada Counter-Hypersonic Experimentation collaboration to invest in promising technologies that strengthen resilience against hypersonic and cruise missile threats.

Supporting Capability Development through Science and Innovation

Defence advanced science and technology investments to strengthen resilience, adaptability, and operational readiness against emerging threats.

In FY 2025-26, Defence enhanced counter uncrewed aerial systems (CUAS) capability through improved interoperability and operational readiness assessments conducted at Canadian Forces Base Suffield and United States facilities. These assessments validated defeat technologies, including vehicle-mounted point defence and high-powered microwave approaches. Defence also accelerated innovation, strengthened multi-agency and Five Eyes (FVEY) integration, and improved alignment with command-and-control systems through International CUAS sandboxes.

Cyber research efforts also delivered a modular command and control cyber range that enables artificial intelligence (AI) training and evaluation against realistic, simulated threats.

Advancing Quantum-Enabled Capabilities

Defence advanced quantum-enabled capabilities to support operations in contested environments.

In FY 2025-26, efforts focused on quantum-enabled sensing, computing, and navigation. Field tests enhanced radar components and Light Detection and Ranging systems, and validated algorithms with potential advantages over classical computing.

Under the Quantum 2030 framework, Defence progressed innovations toward operational radar and positioning, navigation, and timing applications. Key achievements included:

- Advancing the evaluation of quantum radar receivers;
- Integrating quantum-enabled radar systems;

- Progressing toward quantum enhanced timing for radar;
- Expanding of quantum research capacity;
- Advancing quantum-enabled materials discovery; and
- Strengthening national and academic partnerships.

Strengthening Resilience and Operational Readiness

Defence strengthened future emergency response capabilities through testing, interoperability, and technology development.

In FY 2025-26, national design specifications and guiding principles were developed for emergency communications network architectures, supporting future operational communications capabilities, including Public Safety Broadband Network in collaboration with Public Safety Canada, provinces and territories, municipalities, and Tri-Services associations.

Operational response communities were also brought together through the Quadrilateral Group on Chemical, Biological, and Radiological (CBR) Counter Terrorism to test responses to intelligence-led threat scenarios and inform future CBR operational concepts.

Defence also demonstrated next-generation emergency medical response monitoring capabilities through the VitalSeer Technology trial, enabling real-time, contactless patient monitoring to support 9-1-1 triage and improve situational awareness for emergency medical personnel during transport.

Strengthening Community and Systems Resilience

In FY 2025-26, the Defence Team enhanced the resilience of critical systems and communities by addressing emerging risks to navigation, energy systems, and northern supply chains.

Defence advanced cyber security resilience in the energy sector through collaboration with Natural Resources Canada, informing mitigation measures for supply-chain-based cyber threats, and assessed climate-driven risks to northern logistics by integrating modelling, on-the-ground observations, and remote sensing to improve the reliability of winter road networks.

Advancing National Threats Detection and Prevention

The Defence Team advanced detection, prevention, and response capabilities to address evolving security threats and deliver operational tools with national and international impact:

- Developed and operationally deployed an advanced deepfake detection capability (Authentica), and shared it with international partners, with ongoing exploration of CAF-specific applications;
- Delivered point-of-need diagnostic testing capabilities for emerging infectious diseases in collaboration with other government departments, enabling rapid detection in operational environments; and
- Advanced Arctic safety through Synthetic Aperture Radar for search and rescue research in collaboration with other government departments and Allied Defence partners. Early results indicate potential to significantly reduce response times once incorporated into Arctic search and rescue operations.

In FY 2025-26, Defence also established the Research Security Centre of Expertise to safeguard innovation and maintain a competitive advantage, strengthening its ability to anticipate and counter evolving threats.

A Defence Research Security Framework was initiated to protect knowledge, intellectual property, and funding generated through science, technology, and innovation ecosystems from exploitation or unauthorized transfer by adversaries and competitors. The Research Security team developed policy and established an oversight team to support consistent implementation of the framework.

Security and ethics training was expanded to include research security, strengthening DND/CAF's ability to protect future capability development and increasing awareness across the organization. A research security risk assessment process was developed and piloted, providing a practical mechanism to identify, assess, and mitigate research security risks, supporting proactive responses to emerging threats, and informing future refinement and broader implementation of the framework.

Advancing Identity, Credential, and Access Management Capabilities

Defence strengthened identity, credential, and access management capabilities to enhance secure authentication and interoperability across Canadian and allied defence networks.

In FY 2025-26, Defence enabled secure access and information sharing between Canadian and United States defence networks. New trusted identity and access arrangements allowed users to securely access shared systems and services across Canadian and United States defence networks. Defence also enabled the first external mission partner access to United States cloud-based command and control systems in the secret environment.

Defence delivered initial user-facing capabilities for the Polaris environment, a secure platform supporting intelligence requirements and FVEY interoperability and advances network modernization to enable a resilient top-secret architecture aligned with the Canadian Top-Secret Network 2.0.

Through the network modernization initiative launched in fall 2025, Defence identified network deficiencies and advanced modernization efforts to support safe, secure, and resilient bases and information technology services. In FY 2025–26, key activities included:

- Developing a Responsible AI Toolkit, aligned with the North Atlantic Treaty Organization's (NATO) Principles of Responsible Use of AI. The Toolkit provides practical, lifecycle-based guidance to Defence teams, supporting legal and ethical compliance, bias mitigation, security, and human oversight;
- Operationalizing the DND/CAF AI Strategy through enterprise-wide consultations, and drafting an AI Strategy Implementation Directive, providing formal direction across DND/CAF, establishing roles and accountabilities for AI use;
- Advancing the Departmental approach to AI governance by developing a federated AI governance model with clear accountabilities across DND/CAF, supported by two governance bodies to review high-risk AI use cases and AI-related incidents;
- Publishing thought leadership on AI safety through targeted thought leadership pieces and foundational learning materials; and

- Building a workspace through an AI Portal, including an enterprise AI project inventory to improve visibility of AI activities across DND/CAF, enabling greater transparency, reducing duplication, and supporting coordination and knowledge sharing across teams.

Integrating Digital, Cyber, and Information Capability Planning Across the Enterprise

Defence continued to strengthen cyber capability development and governance to support both defensive and offensive cyberspace operations in coordination with partners such as the Communications Security Establishment and allied nations. These efforts contributed to enhancing the CAF's ability to anticipate, detect, and respond to evolving threats in the cyber domain.

In parallel, Defence progressed information and communication technology capability development through improved multi-year planning, integrated intake processes, and alignment of investments with emerging capability gaps identified through frameworks such as Concept-Driven Threat-Informed Planning and Emerging Disruptive Technologies. This included advancing interoperability with NATO and FVEY partners and supporting cloud-enabled command and control initiatives aligned with NORAD modernization.

Collectively, these efforts contributed to a more integrated, interoperable, and future-ready digital capability environment, positioning the CAF to operate effectively in increasingly complex and data-driven contexts.

Advancing Activity-Specific Capabilities

In FY 2025-26, DND/CAF advanced several service-specific and intelligence-related capability initiatives:

- RCN progressed projects to deliver new systems including the contract signing for the RCN Intelligence, Surveillance, Target Acquisition and Reconnaissance Uncrewed Aircraft System, as well as smaller uncrewed and containerized systems, through new major and minor capital projects;
- The Canadian Army (CA) published Inflection Point in August 2025, a modernization roadmap for a more resilient, adaptable, and interoperable land force able to meet an evolving global security environment and defend Canada at home and abroad;
- The CA launched the MINERVA Initiative in December 2025, to guide the integration of uncrewed and autonomous systems into operations. This initiative included a structured, non-procurement framework that brings soldiers, engineers, and Canadian industry together to test and refine technologies, supporting accelerated capability delivery and advancing surveillance and strike capabilities;
- RCAF advanced its enterprise data platform to improve data integration and analytics. The platform supports analysis from various sources, including the Search and Rescue System of Systems, yearly flying rate dashboards, and military command software, enabling more informed decision-making on future threats;
- Integrated expanded Earth-observation, meteorological, and oceanographic data into intelligence and planning activities supporting capability development. A Memorandum of Understanding with Natural Resources Canada enabled the delivery of space weather

products and services, strengthening Defence's ability to anticipate and mitigate emerging environmental and space-related operational risks;

- Advanced intelligence capabilities by exploring new workforce structures and upgrading technologies to align with future requirements. Open-source intelligence supported capability planning by providing insight into current adversary intentions and future capabilities. Intelligence teams were equipped with secure, mission-ready environments and adaptable workspaces to support evolving operational needs;
- The Signals Intelligence (SIGINT) Force Development section continued efforts in SIGINT modernization by collecting and prioritizing requirements for projects that will enhance Canada's sovereignty and Arctic defence capabilities; and
- Advanced understanding of future conflict through an 'evolution of warfare' analytical product line, assessing trends in combat operations and conflict strategies. This work informed CAF warfighting capability development, including force design, operational concepts, and procurement planning.

Strengthening Force Development and Design across the CAF

Defence completed the inaugural three-year cycle to establish the foundation for Force Development and Design (FD&D) transformation, defining a unified objective and deepening its understanding of the future operating environment through consultation with allied militaries, academics, and government partners.

The FD&D Guide was finalized and distributed across DND's Force Development community, providing a common framework to help prioritize, synchronize, and integrate future warfighting capabilities. Defence also initiated development of a Force Development Fundamentals course to enhance skills within the community and improve alignment with allied partners.

In FY 2025-26, the first iteration of the Force Capability Plan achieved major milestones and remained on track for publication in the first quarter of FY 2026-27 as the strategic directive on Force Development priorities.

Defence also delivered the Future Structure Plan Cycle 1, establishing the foundational framework to define force structure requirements for a relevant, ready and resilient force capable of defending in conflict and initiated Cycle 2 to advance the portfolio beyond competition levels of ambition.

Defence and security challenges are addressed through innovative solutions

Results Achieved

In fiscal year (FY) 2025-26, Defence advanced innovative solutions within an increasingly complex defence and security landscape, improving its ability to translate innovation into actionable capabilities that address evolving challenges while strengthening Canada's industrial and innovation base.

The Innovation for Defence Excellence and Security (IDEaS) program continued to serve as the Department of National Defence (DND) and the Canadian Armed Forces (CAF)'s primary innovation platform, using flexible funding, sandboxes, contests, and digital tools to improve agility, transparency, and integration between innovators, operators, and procurement communities.

In FY 2025-26, IDEaS funded a range of activities to support priority capability areas, including:

- Six contribution agreements focused on the development of research clusters, funded through the "Preparing for a quantum world: Defence applications of quantum technologies" challenge;
- Three contribution agreements were awarded to Canadian manufacturers capable of producing 155 mm munitions with the aim of modernizing munitions production and increasing production capacity within Canada;
- Five contribution agreements, funded through the "Safer passage during minefield breaching operations in Ukraine" challenge, focused on developing technologies for navigating and clearing minefields;
- Two robotics projects funded through the "Robot round-up – Advanced robotics platforms and control solutions" contest; and
- Ten grants awarded under the "Fast Forward" contest, which is designed to enable Canadian innovators to demonstrate their predictive abilities to identify future conflict zones globally.

Defence also conducted a minefield-breaching technology demonstration bringing together CAF engineers, defence scientists, innovators, and senior leaders to assess detection and neutralization technologies under realistic operational conditions.

Transitioning of Innovation into Capability

In FY 2025-26, Defence advanced the transition of innovation into operational capability through digital tools, testing environments, and flexible funding mechanisms.

In May 2025, the Defence Innovation Portal was introduced to support challenge launches, milestone tracking, and project management. In November 2025, the Counter Uncrewed Aerial System Sandbox completed its first Urban Sandbox in collaboration with the Royal Canadian Mounted Police in Ottawa, Ontario, demonstrating solutions capable of detecting micro and mini drones in complex, high-density environments.

Defence also introduced the Innovation Continuum to its Competitive Projects Element, increasing funding flexibility and providing up to $6.75 million per innovation to accelerate higher-readiness level solutions. Between May and September 2025, eight competitive challenges were delivered.

In FY 2025-26, IDEaS advanced innovation through the following Competitive Projects Elements:

- Under Pressure: Just-in-time medical resupply in austere environments challenge, with three innovators selected to move to the next stage;
- Land to sea with low greenhouse gas: Arctic eco-safe transit of personnel and cargo from ship to shore challenge, with two innovators selected to move to the next stage; and
- Breaking the ice: ground solutions for removing frozen contaminants from aircraft challenge, one company was selected for funding under Component 2.

To advance next-generation capabilities and address emerging defence and security challenges, Defence launched eight new innovation challenges, including:

- Extended communications coverage: Exploiting connection of Earth and space systems;
- Stay connected: Seamless transitions between mobile broadband networks;
- Unmasking biothreats: Identifying biological agents in the field;
- Gateway to the stars: Advancing hybrid space networks in low Earth orbit;
- Code meets combat: Architecting the future of electromagnetic spectrum superiority;
- Time without limits: Developing tactical-grade clocks for GPS-denied environments in the North;
- Powering the future: Solid-state hydrogen storage for military platforms; and
- Beyond GPS: Quantum solutions for next generation multi-static radar systems.

Under the Innovation Networks and Contest Elements, IDEaS advanced priority capability areas by funding, testing, and scaling innovative solutions, including:

- In collaboration with North American Aerospace Defense Command (NORAD) Modernization Science and Technology (NMST), 19 innovations received grants to support innovations and concepts to future-proof North America's defence against aerospace and maritime threats in multi-domains. A second challenge in collaboration with NMST called Speed meets Strategy: Building Canada's hypersonic innovation network sought to establish an new Innovation Network for a period of two years, to stimulate the application of hypersonic technologies in the defence and security domain to better understand these weapons;
- Launch the North: Accelerating Canada's sovereign access to space challenge supported the Sovereign Space capabilities under the Defence Industrial Strategy (DIS);
- From innovation to operational advantage: Defence Innovation Secure Hubs, in conjunction with the Bureau of Research, Engineering and Advanced Leadership in Innovation and Science, was launched to support the establishment of the first two hubs in the areas of quantum and uncrewed systems as part of the DIS; and
- The Drone surge: Scaling tactical Uncrewed Aerial Systems manufacturing for modern defence, a contest for identifying scalable manufacturing approaches to enable rapid production of tactical uncrewed aerial systems for defence needs. Round 1 was completed, where 30 recipients were given grants for submitting drone concepts.

In FY 2025-26, Defence selected solutions to advance to the test drive stage, enabling real-world assessments of operational applicability, as follows:

- Beyond Aerospace, to test their ARES Blockchain Platform for the Challenge: Verification of Full Motion Video Integrity;
- Larus, to test their Multi-Domain Adversarial Behaviour Analytics and Activity-based Intelligence Activity innovation for the Challenge: Staying Four Steps Ahead;
- Global Spatial Technology Solutions, to test their comprehensive system to address predictive maintenance through a simulation of a ship using synthetic data in the

Challenge: All Systems Go: Predicting and Optimizing Maintenance for Military Platforms; and

- SB Quantum, to test their MAGAWARE innovation, which consists of magnetic intelligence proprietary algorithms to track, classify, and detect objects based on their magnetic field signature, for the Challenge: Detection and Classification of Objects and Interest.

The fourth annual IDEaS Marketplace, held May 2025, showcased previous IDEaS participants innovative solutions to key defence and security stakeholders, defence and security firms as well as representatives of other government departments to enable Canadian innovators in their journey to commercialization.

North Atlantic Treaty Organization Defence Innovation Accelerator for the North Atlantic

In FY 2025-26, DND/CAF advanced participation in North Atlantic Treaty Organization's (NATO) Defence Innovation Accelerator for the North Atlantic (DIANA) to support the adoption of emerging technologies. Defence established the DIANA Strategic Planning Office, supported Canadian test centres and accelerators, and delivered funding to advance emerging and disruptive technologies toward commercialization and operational use. Canada also hosted its first in-person DIANA Board of Directors meeting in Halifax in October 2025.

Advancing Alternative Energy Sources for Remote Sites

NORAD Modernization science and technology investments advanced operationally relevant innovation improving energy resilience, sustainability, and operational effectiveness in northern and Arctic environments. The initiative supports the need for reliable, clean power and heat with increased presence in the North, as well as examining climate change impacts on underwater surveillance and effects of climate change on the physicochemical properties of soils at CAF establishments. Notable achievements included:

- Performed two energy audits of North Warning System sites that have provided energy saving recommendations to Real Property Operations North, with up to 54% fuel reduction identified;
- Established and developed the microgrid test facility at the National Research Council; and
- Advanced Arctic power and energy work under NMST's Crossbow initiative to develop a transportable power and energy generating shelter solution for unmanned operations. This energy solution was successfully demonstrated to the Royal Canadian Airforce (RCAF) for future adoption.

Defending Against Future and Emerging Chemical and Biological Threats

DND/CAF advanced next-generation protection and medical response capabilities, including improved chemical, biological, radiation, and nuclear personal protective equipment designed to meet the needs of a diverse force, enhanced diagnostic technologies, and developed platforms that support future medical countermeasures.

Training and Strengthening CAF Personnel

Investments targeted faster, more effective systems, specifically exploring individualized learning pathways as an alternative to traditional, group-based cohorts. High-fidelity virtual reality displays

proved effective in several RCAF pilot training scenarios, offering the potential to reduce flight costs and risks while increasing trainee throughput.

Improving Clothing and Shelter Options for Austere Environments

Research and investments in the design of shelter, heating and cooling, and drying systems were conducted to improve energy efficiency and reduce or eliminate fossil fuels used in new shelter systems. As part of Exercise NORWEX 2026, prototype shelters were deployed to Resolute Bay.

DND/CAF continued to evaluate the thermal and moisture performance of new clothing ensembles to assess improvements over in-service systems. This work established a baseline for future comparison and supported the identification of appropriate operating conditions, exposure limits, and optimal layering configurations for extreme environments.

Strengthening Capabilities in Cutting-Edge Military Technologies in Support of the Indo-Pacific Strategy

The Counsellor, Defence Research and Development Canada position in Canberra, Australia was staffed in December 2025, advancing Canada's Indo-Pacific Strategy and strengthening defence science and technology cooperation with Australia and other regional partners. This work supported strategic oversight of bilateral projects, including over-the-horizon radar and hypersonic and counter-hypersonic capabilities, and helped advance science and technology objectives with partners such as Japan and the Republic of Korea.

Establishing the Bureau of Research, Engineering and Advanced Leadership in Innovation and Science and Defence Innovation Secure Hubs

In FY 2025-26, the Bureau of Research, Engineering and Advanced Leadership in Innovation and Science (BOREALIS) was established to accelerate and optimize innovation for defence and security. The Joint Program Office was established in September 2025 to support implementation. As part of this initiative, Defence advanced Defence Innovation Secure Hubs (DISH) to support trusted collaboration on sensitive technologies.

In FY 2025-26, BOREALIS advanced DISH initiatives through the following key actions:

- Launched a Request for Information to gather insights from potential partners and stakeholders to support the establishment and scalability of the DISH;
- Established the pilot Maritime DISH at the Centre for Ocean Ventures and Entrepreneurship in Halifax, Nova Scotia, with an investment of $29.4 million to enable partners to co-develop, test, and validate emerging technologies requiring classified handling;
- Supported stakeholder engagement through DISH Industry Day in Ottawa, Ontario, to inform the design of the DISH Call for Proposals; and
- Launched the first DISH innovation challenge, From innovation to operational advantage: Defence Innovation Secure Hubs, to support the establishment of new DISH sites.

Enabling Trusted, Shareable, and Decision-Ready Data Across Defence

In FY 2025-26, Defence strengthened its ability to manage, share, and use data as a strategic asset. Defence launched the Enterprise Data Platform, a secure cloud platform (Microsoft Fabric) powered by ORION, which integrates data from multiple systems to enable secure storage, sharing, and analysis in a single environment.

Defence also completed the first phase of a data-centric reference architecture, providing a common framework for how data is managed and shared across Defence. Common data standards were advanced through the Enterprise Data Model Framework, supporting more consistent, reliable, and interoperable data across DND/CAF.

Enterprise architecture governance was modernized to better align mission and business needs with data, technology, and security requirements. Data labeling and discovery were improved by introducing enhanced labeling practices to support interoperability and understanding across allied systems. An Enterprise Data Catalogue was deployed to enable users to find, access, and use Defence data, supporting secure sharing across departments, security domains, and coalition partners.

These efforts supported more innovative, data-enabled approaches to Defence decision-making, interoperability, and operational effectiveness. In parallel, Defence supported innovative Defence solutions by advancing digital, cyber, and information capability planning, including artificial intelligence (AI) adoption, cyber capability development, interoperability with NATO and Five Eyes partners, and cloud-enabled command and control initiatives aligned with evolving operational requirements.

Advancing Defence Innovation

Defence took delivery of a Multifunction Muzzle Device for use on small arms, manufactured by Canadian company Millbrook Strategic Sciences Inc. The device, now in use across the CAF, is the result of innovative efforts with allies with the intention of developing one device to deliver multiple effects including controlled sound signature, reduced flash, more manageable recoil, and reduced blast overpressure. These effects provide technical benefits as well as reducing impacts on operators using small arms equipped with these devices.

Defence also advanced the operational use of AI in Canadian Special Operations Forces Command scenarios using stand-alone computers in deployed operations, enabling translation, transcription and other AI-enabled services, reducing reliance on external networks and maintaining a strong security posture.

Solving Defence Intelligence Challenges

DND/CAF collaborated with Innovation Canada to define defence intelligence problem sets, enabling partners to access operationally relevant test beds and data to support the development and adoption of advanced solutions, including AI and machine learning, automation, and procedural innovations aimed at enhancing Canadian defence intelligence capabilities.

In March 2026, the Defence Capability Board (DCB) endorsed modernization roadmaps for four defence intelligence capabilities. The Board directed the Intelligence Mission Data (IMD) initiative to proceed to the Definition Phase, while Counter-Intelligence Capability Modernization, Geospatial Intelligence, and Open-Source Intelligence were directed to advance to the Options Analysis Phase. The DCB also approved the Business Case Analysis for IMD and the associated strategic context documents, as well as project milestones for the remaining three initiatives.

Resources required to achieve results

Table 4.3 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 4.3: Snapshot of resources required for Future Force Design

Resource	Planned	Actual
Spending	$1,165,339,276	$1,398,621,576
Full-time equivalents	2,055	2,085

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, the Defence Team integrated Gender-based Analysis Plus (GBA Plus) and intersectional analysis into the design of future force capabilities, ensuring considerations of inclusion and diversity inform long-term decisions related to equipment, personnel, and operational effectiveness.

Defence research activities generated intersectional evidence to support future force design and capability development. Research examined equipment design for a diverse force, the lived experiences of diverse Canadian Armed Forces members, and the mental health of serving members and veterans, contributing to more inclusive capability development and workforce support across the capability life cycle.

Intersectional research findings informed departmental initiatives, including the development of the department's Employment Systems Review survey, which identified barriers in hiring processes and supported evidence-based recruitment planning.

Defence also advanced the use of inclusive and accessible language across organizational communications and digital platforms in both official languages, improving the clarity and accessibility of information and supporting effective engagement and transparency across the Defence Team.

Program inventory

Future Force Design is supported by the following programs:

- Joint Force Development;
- Naval Force Development;
- Land Force Development;
- Air and Space Force Development;
- Special Operations Force Development;
- Cyber and Joint Communication Information Systems Force Development;

- Intelligence Force Development; and
- Science, Technology and Innovation.

Additional information related to the program inventory for Future Force Design is available on the Results page on GC InfoBase.

Core responsibility 5: Procurement of Capabilities

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Resources required to achieve results
- Gender-based Analysis Plus
- Program inventory

Description

Procure advanced capabilities to maintain an advantage over potential adversaries and to keep pace with Allies, while fully leveraging defence innovation and technology. Streamlined and flexible procurement arrangements ensure Defence is equipped to conduct missions.



Image 5: HMCS *Ville de Quebec*

CH-148 Cyclone helicopter, Avalanche, lashed down on the flight deck of HMCS *Ville de Québec* as the ship sails as part of the United Kingdom-led Carrier Strike Group, during Operation HORIZON, in the Sea of Japan, on 9 September 2025.

Photo: Corporal Brendan Gamache, Formation Imaging Services.

Quality of life impacts

This core responsibility contributes to the Good Governance domain of the Quality of Life Framework for Canada, specifically supporting the 'Democracy and institutions' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 5: Procurement of Capabilities.

Table 5.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Defence procurement is streamlined' in the last three fiscal years.

Table 5.1: Defence procurement is streamlined

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of projects that meet the approved project development and approval timelines (low risk and low complexity projects)	100%	March 2026	2023-24: 83.3% 2024-25: 100% 2025-26: 95%[1]
% of goods and services contracts that are awarded within established performance targets	100%	March 2026	2023-24: 94.4% 2024-25: 93.9% 2025-26: 93.6%[2]

[1]Of the 21 low-risk, low-complexity projects expected to achieve a milestone this fiscal year, 20 were successful and one was not. The project that did not meet its milestone is undergoing a decision-making process to determine whether to proceed via a direct acquisition pathway or move into Definition. As this decision remains pending, milestone dates have not been updated and remain to be determined.

[2]With the increase of DND's delegated procurement authorities through the Defence Procurement Strategy, procurements have increased in both complexity and value, requiring more engagement with key stakeholders and a longer duration to complete. DND also works on procurements with other departments which can cause delays in meeting the performance targets.

Table 5.2 shows the target, the date to achieve the target and the actual result for each indicator under 'Defence equipment acquisition is well-managed' in the last three fiscal years.

Table 5.2: Defence equipment acquisition is well-managed

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of capital equipment projects that remain in most recent approved scope	At least 90%	March 2026	2023-24: Not available 2024-25: 94% 2025-26: 90%
% of capital equipment projects that remain on most recent approved schedule	At least 90%	March 2026	2023-24: Not available 2024-25: 44% 2025-26: 46%[1]
% of capital equipment projects that remain within the most recent approved expenditure authority	At least 90%	March 2026	2023-24: Not available 2024-25: 75% 2025-26: 72%[2]

[1]The target was not met due to a range of factors contributing to project delays, including industrial capacity constraints, supply chain disruptions, and re-prioritization of resources. Overall, 109 major capital projects progressed through their execution phase. DND continues to innovate in program delivery, looking to reduce process and institutionalize new ways to deliver the required equipment faster.

[2]The target was not met due to a range of factors, including inflationary pressures on materiel and labour and worldwide increases in military spending, resulting in projects relying more on contingency funds. DND executed over $11.6B in capital expenditures, exceeded the originally planned spending, and enabling DND to meet the NATO 2% target early.

Table 5.3 shows the target, the date to achieve the target and the actual result for each indicator under 'Defence information technology acquisition is well-managed' in the last three fiscal years.

Table 5.3: Defence information technology acquisition is well-managed

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of information technology projects that remain in approved scope	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%
% of information technology projects that remain on approved schedule	100%	March 2026	2023-24: 90% 2024-25: 81% 2025-26: 86%[1]
% of information technology projects that remain within approved expenditure authority	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%

[1]The target was not achieved as a result of project delays, including unsatisfactory deliverables, delays in initiating the invitation to qualify process, and delivery schedule slippages, some of which are attributable to other government departments and challenges in meeting DND project milestones.

Table 5.4 shows the target, the date to achieve the target and the actual result for each indicator under 'Supplies are available and well-managed' in the last three fiscal years.

Table 5.4: Supplies are available and well-managed

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of stock that was unavailable to meet forecasted demand	At most 5.28%	March 2026	2023-24: 7.2% 2024-25: 8.35% 2025-26: 7.27%[1]
% of stock disposed that was identified as surplus	At least 23%	March 2026	2023-24: 93.25% 2024-25: 59.82% 2025-26: 77%
% of stock where Warehouse replenishment settings require review to achieve better materiel positioning and timely customer satisfaction	At most 3.28%	March 2026	2023-24: 3.57% 2024-25: 3.18% 2025-26: 3.36%[2]

[1]This indicator shows a slight improvement compared to FY 2024-25. The target was not met primarily due to the development of a modernized report within the Supply Chain Analytics (DSC) solution. This resulted in a change in the data set and how the availability rate is calculated. The updated indicator now incorporates more DSC activities that were previously not visible, resulting in a higher but more accurate representation of actual

availability. The current target, last revised in 2021, no longer reflects the expanded scope of analysis and requires updating.

[2]DND has launched a pilot initiative to establish minimum and maximum materiel levels for items with the highest turnover within our Defence Supply Chain. This initiative aims to identify opportunities for warehouses to optimize their replenishment settings and is expected to yield improvements in future years. Ongoing monitoring will assess whether the current target needs re-evaluation.

The Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Procurement of Capabilities in 2025–26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Defence procurement is streamlined

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) strengthened procurement capacity and improved acquisition processes to support timely and effective delivery of defence capabilities.

Strengthening Procurement Capacity

Defence strengthened procurement capacity through targeted workforce development. The Project Management Competency Development Program accredited additional project staff, with approximately 90% of projects supported by project managers whose competencies were aligned to project complexity and risk.

Improving Procurement Processes and Flexibility

In FY 2025-26, Defence advanced initiatives to simplify and accelerate procurement:

- Advanced implementation of Continuous Capability Sustainment, enabling faster, lower-risk upgrades to in-service equipment, while reducing administrative burden while maintaining appropriate oversight;
- Assisted with the creation of the Defence Investment Agency and supported amendments to the Government of Canada's contracting regulations, increasing flexibility, and enabling faster, more resilient defence acquisitions;
- Reviewed and adjusted contracting authorities delegated throughout the Defence Team to ensure they were strategically positioned to support operational requirements, resulting in a more efficient and responsive contracting framework; and
- Advanced direct acquisition as an alternative procurement pathway, enabling acquisition without creating a major or minor project. This approach supports faster, more flexible procurement while maintaining appropriate oversight and accountability.

Enhancing Operational Procurement

In FY 2025-26, the Royal Canadian Air Force (RCAF) strengthened its procurement model to better support operational requirements:

- Expanded internal procurement capacity by modernizing authorities, simplifying processes, and empowering procurement officers. With expanded contracting authorities, now up to $1 million for goods and services and $125,000 for noncompetitive requirements, the RCAF can act more independently and responsively;
- Amendments to Procurement Initiation Authority also allow RCAF procurement officers to requisition directly to Public Services and Procurement Canada, reducing administrative burden and accelerating support to operational needs; and
- To ensure readiness and effectiveness, the RCAF is implementing a coordinated strategic approach that strengthens a professional, well connected procurement community and supports ongoing development and mentorship. These initiatives streamline procurement, enhance operational efficiency, and ensure mission readiness.

Defence equipment acquisition is well-managed

Results Achieved

In fiscal year (FY) 2025-26, Defence made significant progress delivering critical military capabilities through diverse equipment projects across naval, land, air, and joint domains. These efforts supported readiness, modernization, and Canada's commitments, in close collaboration with domestic and international partners and focused on key capability priorities.

Enabling Naval Capability

Key naval projects and achievements included:

- River-class Destroyer: Began Full-Rate Production in April 2025 and entered Final Critical Design Review in March 2026. Construction of the Land-Based Test Facility at Hartlen Point, Nova Scotia, started in November 2025;
- Arctic and Offshore Patrol Ship (AOPS): His Majesty's Canadian Ship *Robert Hampton Gray* was delivered to Canada in August 2025. Construction milestones continued for Canadian Coast Guard variants, the mega-blocks for AOPS 7 were moved to land level in October 2025 followed by the vessel launch in April 2026, and the keel laying for AOPS 8 occurred in June 2025;
- Joint Support Ship (JSS): Harbour acceptance trials were conducted for JSS 1, and all blocks for JSS 2 were under construction and consolidation;
- Victoria-class Modernization: Due to complexity and cost, the Data Fusion Capability and the Acoustic Quieting projects were descoped from the Victoria-class Modernization project. The Periscope Modernization Project contract was awarded in February 2026. Work progressed on quality-of-life upgrades, including improvements to sleeping quarters, washroom facilities, and galley spaces; and
- Canadian Patrol Submarine: Identified Hanwha Ocean Co., Ltd. and ThyssenKrupp Marine Systems as qualified suppliers in August 2025, and received acquisition proposals from

both companies (the latter was selected as the preferred supplier in July 2026). A Sustainment Request for Information was also posted on CanadaBuys.

Enabling Land Capability

In FY 2025-26, key land projects and achievements included:

- Logistics Vehicle Modernization (LVM): In December 2025, the contract for the LVM was awarded to General Dynamics Land Systems – Canada and Marshall Canada in a joint venture, and was amended to enable additional procurement options. The project completed 95% of critical design reviews for the heavy capability as well as winter durability trials for the light capability. Condition-based maintenance critical design review was completed in November 2025;
- Armoured Combat Support Vehicle (ACSV): Delivered 63 additional ACSVs with supporting equipment to the Canadian Army (CA). Design efforts were completed and qualification began for the three remaining ACSV variants;
- Light Armoured Vehicle Reconnaissance Surveillance System (LRSS): The Government of Canada cancelled the LRSS project due to delays, technical complexity and evolving requirements. A mutually beneficial close out plan was negotiated with the prime contractor;
- Domestic Arctic Mobility Enhancement: Entered the Definition phase;
- Night Vision System Modernization (NVSM): Advanced the project by awarding contract to Thales for the Hand-held Thermal Imager – Long Range (HHTI-LR), one of six NVSM sub-components, and delivering initial quantities to Operation REASSURANCE.
- Airspace Coordination Centre Modernization: Achieved Final Operating Capability and project close-out;
- Deliveries commenced for 220 dismounted and 14 fixed system Counter-Uncrewed Aerial Systems capabilities pursued under Urgent Operational Requirement (UOR), with systems now deployed in Latvia;
- In response to the conflict in Ukraine, Defence identified a Soldier-Portable Air Defence System as an UOR for Operation REASSURANCE. Following a competitive process, DND awarded three contracts valued at $227.5 million to Saab Canada Inc. for the Robotsystem 70 Next Generation system, ammunition, and in-service support. Initial Operational Capability was achieved in July 2025. The balance of systems will be delivered over the next FY, including Canadian-made Light tactical vehicles;
- In support of Operation REASSURANCE, additional Light Tactical Vehicles were delivered to the CA along with initial deliveries and training for the Portable Anti-X Missile as well as enhanced command and control capabilities under the Brigade Communication and Information Systems project; and
- A contract was awarded to Colt Canada to acquire up to 65,402 Canadian Modular Assault Rifles, replacing the CAF's aging C7/C8 fleet, and will provide CAF members with enhanced reliability, protection, and situational awareness during operations.

Enabling Aerospace Capability

In FY 2025-26, key aerospace projects and achievements include:

- CH-148 Cyclone Procurement: The final helicopter under the project was delivered in October 2025, completing the Maritime Helicopter fleet. Three helicopters were upgraded to the requirements stipulated in the final acquisition contract, bringing the total to 11, and the flight and mission simulators were provisionally accepted;
- Fixed-Wing Search and Rescue Aircraft Replacement: The CC-295 Kingfisher entered operational service at 19 Wing Comox, British Columbia, in May 2025, and 14 Wing Greenwood, Nova Scotia, in January 2026. The Defence Resource Management Information System was rolled out in February 2026 at PAL Aerospace's Maintenance Repair and Overhaul Winnipeg, Manitoba;
- Cormorant Mid-Life Upgrade: The production line was established at IMP Aerospace on schedule in September 2025, with six helicopters progressing through production between Yeovil, United Kingdom and Halifax, Nova Scotia. Flight simulator design and build activities were completed, and acceptance activities and training of Aircrew began. The project remains on budget;
- Canadian Multi Mission Aircraft: The first Canadian CP-8A aircraft has entered production. Additionally, contracts were awarded for key infrastructure projects at Comox and Greenwood, and a Foreign Military Sales case for High Altitude Anti-Submarine Weapon Capability kits was signed;
- Future Fighter Capability: The first eight Canadian CF-35As have progressed through production. The main wing assembly for Canada's first F-35 was delivered to Lockheed Martin to begin fuselage assembly, and the first two CF-35A aircraft have progressed to the wing/body mate stage. Additionally, a Request for Proposals was released for the procurement of the Joint Strike Missile and resulted in a contract award to Kongsberg Defence & Aerospace (KDA) in June 2026;
- Remotely Piloted Aircraft System (RPAS): The project's Sustainment Preliminary Design Review was completed in May 2025, and Critical Design Review conducted in October 2025. Ground Control Centre and hangar construction began in 2025. The RPAS aircraft, cockpit and main infrastructure delivery remain on schedule for 2028;
- Future Aircrew Training (FAcT): The first CT-102B Astra II arrived at 15 Wing Moose Jaw, Saskatchewan, in September 2025, with more aircraft arriving in the months afterwards. They have started flying operations under the FAcT program to start initial cadre training and support training development. They fly under a Specific Purpose Flight Permit and are being stored and maintained at Moose Jaw;
- Strategic Tanker Transport Capability: Advanced across aircraft, infrastructure, and sustainment lines of effort. The first two CC-330 Multi-Role Tanker Transport aircraft commenced modification, including interior modifications to the Government of Canada aircraft. Ministerial approval was obtained for Long-Term In-Service Support, with three contracts awarded in February 2026;

- CP-140 Aurora Incremental Modernization: The 12th and final Block IV aircraft was delivered in May 2025 under the, and full operational capability was achieved in December 2025;
- Airlift Capability Project – Multi-Role Flight Service: In December 2025, the project received Project Approval for both the Early Implementation phase for Acquisition and Interim ISS, and for the Definition phase. The Government of Canada signed a contract with Bombardier Inc. for six Global 6500 aircraft;
- Awarded the Surveillance of Space 2 contract in February 2026 to MDA Space; and
- The Search and Rescue Mission Management System Replacement: Transitioned to a new vendor; however, deficiencies identified during Operational Test and Evaluation resulted in testing being rescheduled to September 2026 and delayed Initial Operating Capability until November 2026.

For more information on Defence equipment purchases and upgrades, please visit the Air defence procurement projects website.

Delivering Special Operations Capabilities

In FY 2025-26, Special Operations projects and achievements included:

- The Special Operations Capability and Recapitalization: Project achieved Initial Operational Capability in March 2025, with most in-year procurement delivered aligned with requirements. The project focused on two of Canadian Special Operations Forces Command's four capability portfolios—mobility and soldier systems—supporting high readiness and operational relevance while leveraging portfolio flexibility to respond to forecasted cost pressures arising from tariffs and defence policy changes. Training activities progressed, with minor adjustments due to resource availability and seasonal factors. External variables affecting procurement delivery schedules necessitated amendments to the overall project timeline, with project closeout now scheduled for Spring 2029; and
- The Chemical, Biological, Radiological, Nuclear, and Explosive: concluded the most procurement activities, with the final deliverable expected in October 2026. Project closure to follow in Fall 2026.

Defence information technology acquisition is well-managed

Results Achieved

In fiscal year 2025-26, the Department of National Defence and the Canadian Armed Forces advanced key initiatives in the areas of information management, information technology, and space in alignment with *Strong, Secure, Engaged* and *Our North, Strong and Free*. Efforts concentrated on delivering critical milestones that strengthen digital, cyber, and space-enabled defence capabilities. Key activities included:

- Advanced the following three projects through the Definition phase: aDEFENCEx; Arctic Over-the-Horizon Radar; and Science and Technology Enhanced Research Capability;
- Advanced the following five projects into the Implementation phase: aDEFENCEx; Canadian Forces Electronic Warfare Support Project; Cyber Defence – Decision, Analysis, and Response; Meridian Standard; and Secure Tailored Solutions;

- The identification of additional required scope for the Secure Command and Control Mobile Devices - Secure Tailored Solutions project necessitated a return to the Defence Capability Board, resulting in a one-year delay. Full Operational Capability (FOC) is forecasted for November 2030;
- Delivery of External Networks Infrastructure under the Tactical Narrowband SATCOM – Geosynchronous project was delayed due to resourcing constraints. FOC is forecasted for March 2027;
- The FOC milestone for the Canadian Forces Electronic Warfare Support project was impacted by prolonged delays in contracting two major procurements; and
- The Senior Review Board authorized a one-year extension to Advanced Cryptographic Capabilities to complete work related to the North Warning System. FOC is forecasted for September 2026.

Supplies are available and well-managed

Results Achieved

In fiscal year 2025-26, Defence strengthened materiel accountability and modernized Defence supply chain operations to support the Canadian Armed Forces (CAF) readiness. Efforts focused on expanding the use of data analytics, improving inventory controls and evaluation, and advancing business process modernization to enable more effective, timely, and cost-informed decision-making across the materiel lifecycle.

The Defence Team expanded the use of supply chain analytics and performance measurement tools, including development of the Defence Supply Chain Performance Management Framework, to support readiness, responsiveness, resilience, and cost optimization. New analytic dashboards enhanced oversight and enabled improved prioritization, prepositioning, and availability of materiel to support maintenance and operational requirements.

The Department of National Defence (DND) advanced long-term efforts to strengthen supply chain resilience in a complex global environment. Work progressed on the development of a Defence Supply Chain Resilience Strategy to improve risk awareness, enhance coordination with partners, allies, and industry, and ensure reliable access to defence materiel. Together, these initiatives delivered substantive improvements to materiel management and reinforced the Defence Team's ability to sustain CAF operations at home and abroad.

Resources required to achieve results

Table 5.5 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 5.5: Snapshot of resources required for Procurement of Capabilities

Resource	Planned	Actual
Spending	$9,548,783,861	$12,480,883,081
Full-time equivalents	3,064	3,483

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of

National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, the Defence Team translated Gender-based Analysis Plus (GBA Plus) procurement commitments into practical tools and dedicated capacity, producing direct and measurable changes to how intersectional analysis informs project decision-making across the equipment and procurement portfolio.

Defence established dedicated GBA Plus project support capacity to provide direct, operationally relevant advice to project teams. This enabled project managers to more consistently identify gender-based and human systems risks, develop appropriate mitigation measures, and incorporate those measures into project requirements. As a result, intersectional considerations were more systematically integrated into procurement decisions throughout the project lifecycle.

To further institutionalize GBA Plus within procurement functions, Defence developed a procurement roadmap through engagement with internal stakeholders. The roadmap established a structured path toward fully embedding GBA Plus across all defence equipment acquisition and procurement functions, supporting greater consistency and transparency in how intersectional analysis is applied.

Defence also strengthened data collection and accountability by updating standard procurement documentation for acquisitions under $25 million to include a dedicated section for gender-based and human systems data. This extended the application of intersectional analysis to a broader range of purchasing decisions, ensuring GBA Plus considerations inform both major projects and lower-value procurements across the defence portfolio.

Defence advanced inclusive design through the Soldier Operational Clothing and Equipment Modernization initiative. Applying GBA Plus, the initiative introduced expanded sizing and fit options, improving comfort, mobility and performance for the Canadian Armed Forces members while reducing injury risk and supporting a more diverse workforce.

Program inventory

Procurement of Capabilities is supported by the following programs:

- Maritime Equipment Acquisition;
- Land Equipment Acquisition;
- Aerospace Equipment Acquisition;
- Defence Information and Communications Technology Systems Acquisition, Design and Delivery;
- Defence Materiel Management; and
- Procurement of Capabilities.

Additional information related to the program inventory for Procurement of Capabilities is available on the Results page on GC InfoBase.

Core responsibility 6: Sustainable Bases, Information Technology Systems and Infrastructure

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Resources required to achieve results
- Gender-based Analysis Plus
- Program inventory

Description

Develop and manage modern, operational and sustainable bases, information technology systems and infrastructure. Contribute to the achievement of federal environmental targets.



Image 6: Operation BOXTOP

Pallets of cargo are loaded onto a CC-177 Globemaster (701) from 429 Transport Squadron at 8 Wing/Canadian Forces Base Trenton by Canadian Armed Forces Traffic Technicians at Pituffik Space Base, Greenland, en route for Canadian Forces Station Alert during BOXTOP 25-II on 5 November 2025.

Photo: Corporal Gwyneth Lovell, 8 Wing Imaging, Canadian Armed Forces.

Quality of life impacts

This core responsibility contributes to the Good Governance domain of the Quality of Life Framework for Canada, specifically supporting the 'Democracy and institutions' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 6: Sustainable Bases, Information Technology Systems and Infrastructure.

Table 6.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Naval, Army, and Air Force Bases enable military operations and defence activities' in the last three fiscal years.

Table 6.1: Naval, Army, and Air Force Bases enable military operations and defence activities

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of single quarters accommodations that can be used	At least 90%	March 2026	2023-24: 84.9% 2024-25: 91.3% 2025-26: 94.8%
% deviation of average daily meal cost from the standard allowance	At most 15%	March 2026	2023-24: 24.3% 2024-25: 15.3% 2025-26: 9.5%

Table 6.2 shows the target, the date to achieve the target and the actual result for each indicator under 'Defence infrastructure is well-managed throughout its lifecycle' in the last three fiscal years.

Table 6.2: Defence infrastructure is well-managed throughout its lifecycle

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% of infrastructure in fair or better condition	At least 70%	March 2026	2023-24: 59.81% 2024-25: 54.67% 2025-26: 53.3%[1]
% of the total real property value that is identified as surplus	At most 2%	March 2026	2023-24: 2.11% 2024-25: 2.11% 2025-26: 1.79%
% of maintenance and repair investment in relation to the infrastructure portfolio value	At least 2%	March 2026	2023-24: 1.4% 2024-25: 1.38% 2025-26: 1.61%[2]

[1]The target was not met due to rising costs of material and labour and insufficient historical funding, which has caused delayed repairs. Consequently, DND's's aging infrastructure has continued to deteriorate. Recent government investments are beginning to support essential remediation efforts across the portfolio, but improvements will take time.

[2]While progress has been made, the target was not met due to the scale of the maintenance and repair backlog. Although multiple initiatives are underway to address this backlog, decades of underfunding have resulted in aging assets and obsolete real property assets that require a largely reactive maintenance approach. Addressing these

challenges will require recapitalization at the portfolio level. Improvements are expected to be incremental as infrastructure management initiatives and long-term renewal efforts progress.

Table 6.3 shows the target, the date to achieve the target and the actual result for each indicator under 'Defence activities are carried out in a safe and environmentally responsible manner' in the last three fiscal years.

Table 6.3: Defence activities are carried out in a safe and environmentally responsible manner

Departmental Result Indicator	Target	Date to achieve target	Actual Result
% Reduction of Greenhouse Gas Emissions by the Department of National Defence relative to 2005 levels of Greenhouse Gas Emissions	At least 40%	March 2026	2023-24: 38.4% 2024-25: 39.1% 2025-26: 41.2%
% of reduction in contaminated sites liability based on the closing liability of the previous year	At least 10%	March 2026	2023-24: 10.33% 2024-25: 10.93% 2025-26: 12.3%

The Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Sustainable Bases, Information Technology Systems and Infrastructure in 2025-26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Naval, Army and Air Force Bases enable military operations and defence activities

Results Achieved

In fiscal year (FY) 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) continued to strengthen the resilience, modernization, and operational readiness of naval, army, and air force bases across Canada. These bases remained essential enablers of military operations, supporting force generation, training, and the health and well-being of Defence Team personnel.

Strengthening Naval Base Operations

In FY 2025-26, Defence advanced the maintenance and enhancement of naval bases:

- Efforts were undertaken to modernize the performance metrics framework to better capture the full range of services and support provided from naval bases, including improvements in assessment and reporting across procurement, materiel management and distribution, transportation, equipment maintenance, food services, accommodations, safety, port operations, and community engagement. These changes enhanced visibility into service delivery, improved decision-making, and strengthened accountability, directly supporting fleet readiness and effective base operations;

- Adjustments to food service processes and updated ration recovery rates contributed to improved cost management in a high-inflation environment. These measures reduced the deviation between average daily meal costs and the standard allowance, moving closer to departmental targets through improved provisioning and cost monitoring, and supported the sustainment of naval base operations; and
- Defence advanced infrastructure requirements to support fleet demands, including significant investments at Canadian Forces Base (CFB) Halifax. The Government of Canada announced more than $3 billion in targeted military infrastructure investments across Atlantic Canada, which included $1.2 billion to modernize critical power and municipal service infrastructure at CFB Halifax Dockyard and Stadacona. These investments improved support services and quality of life for personnel, while enhancing the sustainability of base operations and supporting the Royal Canadian Navy's readiness and operational capacity.

Strengthening Army Base Support Operations

In FY 2025-26, Defence advanced the maintenance and enhancement of army bases:

- Canadian Army bases began reorganization under a single divisional command (Support Division) to improve coordination and delivery of base support services as part of Army Modernization; and
- Leveraged performance measurement metrics to improve base services and support more consistent and effective delivery of support across army bases.

Strengthening Air Force Base Infrastructure

In FY 2025-26, Royal Canadian Air Force bases advanced re-capitalization and infrastructure investment to support existing and new capabilities, including hangars, support facilities, runways, and taxiways. Key capability-enabling projects included:

- The Arctic Over-the-Horizon Radar progressed from the Option Analysis to the Definition Phase and contracting authority transitioned to the Defence Investment Agency;
- The Defence of Canada Fighter Infrastructure initiative progressed across the 33 infrastructure elements, with several elements advancing into the Definition and Implementation phases, while updated cost estimates identified affordability pressures requiring further review;
- The Future Fighter Lead-in Training initiative progressed development of training infrastructure across bases and Forward Operating Locations; and
- Additional funding supported the advancement of firehalls, accommodations, and air traffic control tower projects. Despite this progress, aging infrastructure continues to pose increasing challenges across Canada, with impacts becoming more prominent during a period of growth and increased demand on infrastructure.

Supporting Base Security and Intelligence

In FY 2025-26, the Canadian Forces Intelligence Command managed the lifecycle of the Canadian Forces Weather and Oceanographic Service Network, a mission-critical capability supporting Defence meteorological services, and coordinated the replacement of switches and transceivers to reduce failure points and maintain network availability in accordance with the network's Statement of Sensitivity and Security Assessment and Authorization.

Defence infrastructure is well-managed throughout its lifecycle

Results Achieved

In fiscal year (FY) 2025-26, significant defence funding positioned the Department of National Defence (DND) to strengthen the long-term management, resilience, and sustainability of its infrastructure portfolio. These investments enable Defence to move beyond short term risk mitigation and toward a more deliberate, lifecycle-based approach to infrastructure planning, maintenance, and recapitalization, better aligning facilities with evolving operational requirements. It also provides a strong foundation to modernize aging infrastructure, integrate climate resilience and sustainability considerations, and prepare bases and wings to support new and emerging capabilities. It also enables the development of critical infrastructure necessary to support a more persistent, agile, and responsive Defence presence in remote and environmentally challenging regions in the North.

Strengthening Infrastructure Strategy and Governance

In FY 2025-26, Defence advanced key strategic and governance initiatives for its infrastructure portfolio:

- Advanced development of the Defence Northern Infrastructure Strategy, which will set out an overarching vision of defence infrastructure expansion in the North and provide direction and needed momentum;
- Completed the North Regional Master Real Property Development Plan, establishing a comprehensive and integrated planning framework for all northern and Arctic locations. The plan aligns portfolio level direction with site specific planning considerations and replaces the need for separate standalone site development plans previously identified in closure criteria;
- Advanced development of the Building Together in Defence of Canada: An Infrastructure Engagement Strategy, including a draft framework and supporting sub-strategies to strengthen the structure, governance, and processes required to ensure anticipated spending can be effectively executed and projects successfully delivered;
- Advanced implementation of the Defence Real Property Portfolio Strategy (DRPPS) and initiated a targeted refresh to ensure the strategy remains responsive to evolving defence priorities and long-term infrastructure needs;
- Promulgated the Real Property Infrastructure Compliance Directive in September 2025, supporting Strategic Goal 2 of the DRPPS and establishing a framework for the identification, management and resolution of non-compliances in the Real Property Portfolio; and

- To address portfolio deterioration, the Department adopted a five-year National Real Property Portfolio Plan focused on mission continuity, improved support to Canadian Armed Forces (CAF) capabilities, better-aligned with institutional priorities, and optimized modernization and use of the Defence real property.

Advancing Infrastructure Delivery and Modernization

In FY 2025-26, Defence progressed major infrastructure investments and recapitalization activities. Over 150 recapitalization, maintenance and repair projects were completed across the portfolio. The programs of work included activities such as repaving, reroofing, sewer line repairs and replacements, generator installations, furnace replacements, and fence installations. Notable projects included:

- Expansion of an existing building in Valcartier/Lévis, Quebec, and the construction of a new building providing training rooms, conference rooms, office space, storage space and work areas;
- Phase 3 of 5 of a water and sewer network rehabilitation project was completed at the Montreal Garrison, Quebec, transitioning from a combined sewer system to a dual pipe system separating stormwater from sanitary wastewater; and
- The Helicopter Simulator Facility was completed in conjunction with the Cormorant Mid-Life Upgrade project in Comox, British Columbia.

Delivering Major Capability-enabling Infrastructure

In FY 2025-26, Defence advanced major infrastructure projects supporting future capabilities. Initiatives focused on renewing aging military infrastructure across Canada, enabling modern training and operations, and strengthening resilience to climate impacts. Approximately $500 million in capital funding was expended, with 92% of major capital projects remaining on schedule during FY 2025-26, including:

- Combatant Training and Integration Centre at Canadian Forces Base (CFB) Halifax, Nova Scotia, a key enabler for the introduction and sustainment of the future surface combatant fleet. The facility enhances joint and integrated naval training capacity while modernizing energy and municipal servicing across the Halifax Defence Complex. Construction activities advanced on this purpose-built facility will provide administrative space, classrooms, integrated training spaces, and operational offices upon completion;
- Construction on the new Quick Reaction Alert facility at CFB Bagotville, Quebec. A major investment supporting the operational readiness of fifth-generation fighter aircraft. The facility includes secure aircraft hangars, alert spaces, personnel accommodations, and hardened infrastructure designed to meet high operational tempo requirements, while incorporating modern energy-efficiency standards and resilient site servicing, directly supporting continental defence under North American Aerospace Defense Command (NORAD);
- Initiated foundation work on the Fighter Squadron Facilities in both Cold Lake, Alberta and Bagotville, Quebec. Complementary fighter infrastructure investments across the Royal Canadian Air Force enterprise, including power, utilities, and enabling works, progressed as

part of the broader Defence of Canada Infrastructure Project, ensuring bases are prepared for new aircraft and advanced systems;

- For land forces and special operations, the Dwyer Hill Training Centre in Ottawa, Ontario, remained one of the largest ongoing infrastructure commitments in Canada, including:
    - Construction on new facilities totaling approximately 98,000 m^2, alongside recapitalization of over 7,000 m^2 of existing structures. The project is replacing temporary and end-of-life buildings with purpose-designed training, operational, and support facilities tailored to Canadian Special Operations Forces Command requirements, directly supporting personnel growth, high-readiness training, and long-term sustainability through modern utilities, energy-efficient design, and improved site resilience;
    - Construction of five ammunition storage buildings were successfully completed; and
    - Construction on the bridge connecting the north and south areas of the site.
- The Quinte West Training Centre Infrastructure Project entered the construction phase, with site groundwork initiated in February 2026 to support the delivery of consolidated, sustainable, and efficient facilities;
- Progressed toward delivery of a new 1,400 m^2 Neurobehavioral Blast Research Facility at Defence Research Development Canada in Suffield, Alberta. The project supports the Blast Injury Program through specialized laboratories and shared research space, enhancing Canada's capacity to study blast exposure while modernizing aging facilities to current safety and environmental standards;
- The Arctic Over-the-Horizon Radar (A-OTHR) Site 1 in Kawartha Lakes, Ontario, advanced to early engagement in 2025. Land acquisition was completed and plans were shared regarding environmental, archaeological, and wildlife studies prior to construction. Site preparation activities, including fencing, surveys, and preliminary studies, were initiated in in winter 2026, marking the transition from planning to implementation at Site 1; and
- Advanced northern resilience and enabling capabilities through the Capability Assistance Program (CAP) to support municipal servicing, power reliability, and enabling works near defence installations. CAP agreements fully expended the $31 million allocation, supporting projects in Yellowknife and Tuktoyaktuk, Northwest Territories, that strengthen host-community infrastructure and directly enable military operations in northern and austere environments.

Strengthening Housing and Real Property Portfolio Management

In FY 2025-26, Defence advanced housing and real property initiatives:

- Implemented the Furnished Quarters Optimization Program at 11 priority sites and completed tiering of warehouses and Primary Reserve assets to support more effective portfolio management;
- Advanced tiering of critical and non-viable assets, providing a foundation for addressing poor performing assets within the portfolio;

- Advanced the Dual-Use Pathfinder initiative in Victoria, British Columbia, and Halifax, Nova Scotia through diligence studies, market sounding, engagement of provincial, municipal, and Indigenous rights holders, and risk assessments to support future housing development on DND lands;
- The Canadian Forces Housing Agency (CFHA) published the National Residential Housing Portfolio Planning Strategy, establishing the framework for managing the Defence residential housing portfolio and advancing Phase 1 of the Residential Portfolio Capital Investment Program, which includes constructing more than 800 Residential Housing Units (RHUs) across nine priority locations; and
- Expanding housing availability for CAF members through the acquisition of apartment complexes near key bases—providing 37 units near CFB Esquimalt, British Columbia, 52 units in Courtenay, supporting 19 Wing Comox personnel, and 140 units in Halifax, Nova Scotia, while Phase 1 and Phase 2 aim to deliver up to 7,500 RHUs in 25 locations nationwide. In parallel, CFHA continues to develop alternative housing solutions through private sector partnerships and federal housing initiatives.

Infographic 3: Building Homes, Supporting Members. Strengthening Communities



Optimizing and Rationalizing Infrastructure

In FY 2025-26, Defence improved efficiency and sustainability across its real property portfolio:

- Optimized underutilized National Capital Region office space through the Workplace Rationalization Initiative. Tendering is underway to complete the rationalization of 455 de la Carrière facility in Gatineau, Quebec, densifying and delivering a modernized, more efficient workplace;
- Advanced planning for the consolidation of operational commands into a purpose-built facility at National Defence Headquarters Carling Campus in Ottawa, Ontario. In December

2025, a Notice of Proposed Procurement was posted for an Integrated Project Delivery contractor to support the planning and delivery of the new facility;

- Closed several demolition projects across the portfolio, including at Esquimalt, British Columbia; Winnipeg, Manitoba; Toronto and Trenton, Ontario; Valcartier, Quebec; and Goose Bay, Newfoundland and Labrador;
- Advanced 100% of the 44 planned FY 2025-26 divestment activities, including unexploded explosive ordnance clearance at the Mary Hill property in British Columbia and the sale and transfer of three properties in Rimouski, Quebec, Inskip Islands, British Columbia; and the Rocky Point lands, British Columbia; and
- Advanced the Public Lands for Homes housing initiative in collaboration with Canada Lands Company and Public Services Procurement Canada, while furthering discussions on the future of the National Defence Medical Centre property in Ottawa, Ontario. Engagement continued with Crown Indigenous Relations and Northern Affairs Canada, Indigenous Services Canada, and Indigenous groups to support reconciliation through the disposal of surplus lands, due diligence contracting, collaboration and processes.

For more information on Defence infrastructure projects, please visit the Infrastructure Projects webpage.

Defence Advanced Digital Infrastructure Maintenance and Enhancement

In FY 2025-26, Defence modernized networks and computing infrastructure, improving access to both cloud-based and on-premise platforms while supporting DND and the CAF Digital Transformation and North American Aerospace Defense Command (NORAD) modernization. These efforts ensure the availability, resilience and performance of mission-critical capabilities.

Strengthening Digital Infrastructure and Cloud Capabilities

In FY 2025-26, Defence strengthened information technology (IT) infrastructure delivery through standardized project management, systems engineering, and architectural coordination. Improved oversight of minor capital initiatives enabling earlier implementation, reduced risk, and more reliable delivery of enterprise IT capabilities aligned with departmental objectives. Key activities included:

- Acquiring significant new private hosting capabilities to meet emerging operational requirements;
- Advancing public cloud adoption, supporting over 170 active projects across Azure, Amazon Web Services (AWS), and Google Cloud in a multi cloud environment, while enhancing resiliency through a second AWS region in Western Canada and tertiary connectivity for search and rescue services;
- Streamlining procurement processes and strengthened collaboration with Shared Services Canada, enabling direct support from cloud service providers, accelerating responsiveness and delivery;
- Expanding the Defence Cloud Mission Systems framework to support secure, interoperable, and controlled operational cloud use across domains and classification

levels, while enhancing infrastructure as a service and platform capability, expanding artificial intelligence and big data tools, and supporting near real-time decision making;

- Further enhancing IT infrastructure, cybersecurity, and enterprise connectivity by expanding Wi-Fi access across bases and wings, adopting secure and scalable platforms, improving data interoperability, and modernizing legacy systems;
- Strengthening governance and delivery through integrated planning, centralized prioritization, resource alignment, incremental modernization, strengthened governance, and risk-based planning to address pressures related to legacy systems, operational demands, cyber threats, and workforce capacity;
- Reinforcing cybersecurity through alignment with Government of Canada direction, strengthening identity, credential, and access management, and implementing Zero Trust security principles. Improved data sharing and interoperability with domestic and allied partners supported NORAD modernization and multi-domain command and control initiatives, strengthening the resilience, security, and interoperability of Defence digital infrastructure, while helping ensure that infrastructure investments delivered operationally relevant and future-ready information capabilities; and
- Provided end-to-end support for Sensitive Compartmented Information Facility accreditation to ensure the long-term protection of critical infrastructure, reinforcing security compliance, reducing risk, and safeguarding Canada's sensitive national systems while sustaining effective intelligence operations at home and abroad. Leveraged data and project management expertise to support the development of Geospatial Information Systems for improved infrastructure and real property management.

Defence activities are carried out in a safe and environmentally responsible manner

Results Achieved

In fiscal year (FY) 2025-26,the Department continued to advance environmental management and climate action through implementation of the Defence Climate and Sustainability Strategy 2023–2027, supporting the Greening Government Strategy and aligning with the Federal Sustainable Development Strategy (2022–2026).

Advancing Environmental Sustainability and Emissions Reduction

In FY 2025-26, Defence expanded energy efficiency and emissions reduction initiatives across its infrastructure portfolio:

- Expanded the Energy Performance Contract (EPC) portfolio to 28 contracts, including five new awards. EPC initiatives delivered $147.49 million in infrastructure improvements, with an additional $1,618.1 million under contract and $125.5 million in procurement. Completed projects are generating approximately $8.7 million in annual energy savings while reducing emissions by 28,680 tonnes, with projected annual savings of $37.8 million. The EPC portfolio includes eight completed projects, thirteen under construction, five in implementation, and two in procurement; and

- Reduced greenhouse gas emissions through renewable energy procurement, including participation in Public Services and Procurement Canada-led Green Power Purchase Agreements and the acquisition of renewable energy credits, resulting in 85.1% of electricity consumption sourced from renewable energy.

Strengthening Environmental Governance and Compliance

In FY 2025-26, Defence advanced environmental risk management and compliance across its real property portfolio:

- Conducted assessment and remediation activities at 406 contaminated sites under the Federal Contaminated Sites Action Plan and the DND Contaminated Sites Program, bringing the total number of sites closed in the Federal Contaminated Sites Inventory to 7,743 since FY 2005-06. In addition, clearance activities were conducted at six former Defence sites to mitigate risks associated with unexploded explosive ordnance;

- Strengthened engineering and real property environmental performance standards through the issuance of technical guidance on embodied carbon management to align new construction with Treasury Board of Canada Secretariat requirements and ensure optimal energy performance in new infrastructure projects;

- Advanced the Smart Building Energy Management Systems program, including within Pacific regions of Comox, Esquimalt, and Chilliwack, British Columbia, by leveraging analytics to optimize building performance and reduce energy consumption;

- The Royal Canadian Navy (RCN) advanced its sustainability and environmental management initiatives across several key programs, including progressing the Safety and Environmental Strategy which provides the Navy's vision for safeguarding personnel and minimizing impact to the environment while meeting its operational mandate; and

- The Canadian Army (CA) strengthened environmental governance, improved regulatory compliance, and reduced environmental risks through policy updates, program modernization, enhanced oversight, and increased awareness. The CA updated its Environmental Management System, revised environmental directives, and established roles and responsibilities matrices to address gaps related to storage tank systems, environmental impact assessments for major and minor projects, and species at risk.

Supporting Sustainable Operations Across the CAF

In FY 2025-26, Defence achieved the following key environmental and sustainability results:

- Advanced sustainable maritime operations as part of Canada's commitments under the Canada's Ocean Noise Strategy, through the development of the RCN Marine Wildlife Management Directive to enable environmentally responsible training and operational activities while mitigating impacts on marine ecosystems;

- Developed a Safety and Environmental Management System for the Protecteur-class Joint Support Ships in preparation for future fleet capabilities, ensuring compliance with safety and environmental requirements. The RCN also supported the Project Management Office

to assess safety and environmental risk for the future River-class destroyer, ensuring consideration of safety and environmental factors in next-generation fleet planning;

- Modernized environmental programs through the development and testing of environmental assessment and incident reporting tools, and the application of the Climate, Nature and Economy Lens across capability projects;
- Advanced *Species at Risk Act* compliance by completing Section 83 exception requirements at Canadian Forces Base Kingston and 5th Canadian Division Support Base Gagetown;
- Updated Range Standing Orders in select divisions and enhanced environmental awareness through targeted briefings, training, and development of an Environmental Awareness Brief;
- Strengthened environmental oversight through audits and engagement with Unit Environmental Officers, resulting in a recommendations report, establishment of a working group, and updated training, while providing environmental advice to support project risk assessments;
- Advanced sustainable aviation efforts through development of a Sustainable Aviation Fuel Research Agenda in collaboration with the National Research Council Canada (NRC) and defence partners in support of the Low-carbon Fuel Procurement Program;
- Developed and validated a combustion instability model to support sustainable aviation fuel research, using hydrogen as a simple molecular test case; and
- Established a high-temperature, high-humidity test facility to assess thermal barrier coating degradation on turbine blades for zero-emission gas turbine engines. This project was halted due to workforce adjustments at NRC.

Strengthening Climate Security and International Collaboration

In FY 2025-26, Defence expanded its contribution to climate-security efforts and international collaboration:

- Strengthened international collaboration on climate and security by co-hosting the Global Air Forces Climate Change Collaboration Mitigation Working Group and assuming Canada's role on the Climate Change and Security Centre of Excellence Steering Committee; and
- Expanded organizational capacity and contributions to climate-security research through staffing of key positions and engagement in international assessment and research initiatives.

Resources required to achieve results

Table 6.4 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 6.4: Snapshot of resources required for Sustainable Bases, Information Technology Systems and Infrastructure

Resource	Planned	Actual
Spending	$4,892,993,081	$5,694,362,067
Full-time equivalents	15,883	16,674

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, the Defence Team strengthened the application of Gender-based Analysis Plus (GBA Plus) and intersectional analysis in the planning, delivery, and management of defence infrastructure, advancing the shift from policy commitment to enforceable standards and evidence-based decision-making.

A key milestone was the launch of the Standard on Accessible and Inclusive Design for National Defence and Canadian Armed Forces facilities in summer 2025. The standard established universal design and barrier-free access as the mandatory baseline for construction, renovations, leased facilities, and equipment replacement projects across the defence portfolio. The standard went beyond the requirements of both the National Building Code and the Ontario Building Code by integrating intersectional considerations into design requirements for Defence working and living environments. An advisory committee was established to oversee implementation, reviewing exception requests and reinforcing accountability for inclusive design outcomes.

Defence completed a comprehensive assessment of its infrastructure portfolio to identify gaps where intersectional considerations had not yet been fully applied, including in older facilities, governance structures, and monitoring practices. This assessment established an evidence base to support targeted improvements across the portfolio.

Defence also completed its first full GBA Plus and intersectional review of its energy efficiency upgrade program, identifying opportunities to better integrate diverse user needs into retrofit and modernization decisions, supporting both environmental performance objectives and inclusive infrastructure outcomes across the Defence Team.

Program inventory

Sustainable Bases, Information Technology Systems and Infrastructure is supported by the following programs:

- Defence Infrastructure Program Management;
- Defence Infrastructure Construction, Recapitalization and Investment;

- Defence Infrastructure Maintenance, Support and Operations;
- Defence Residential Housing Program;
- Defence Information and Communications Systems, Services and Programme Management;
- Environmental Management and Climate Action;
- Indigenous Affairs;
- Naval Bases;
- Land Bases;
- Air and Space Wings;
- Joint, Common and International Bases;
- Military Police Institutional Operations; and
- Safety.

Additional information related to the program inventory for Sustainable Bases, Information Technology Systems and Infrastructure is available on the Results page on GC InfoBase.

Core responsibility 7: Marine Navigation

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Resources required to achieve results
- Gender-based Analysis Plus
- Program inventory

Description

Provide Information and services to facilitate navigation in Canadian waters.



Image 7: Operation NANOOK-NANAKPUT

Members of HMCS *William Hall* and CCGS *Pierre Radisson* from the Canadian Coast Guard operate rigid-hull inflatable boats during Operation NANOOK-NUNAKPUT in Pond Inlet, Nunavut, on 7 September 2025.

Photo: Master Corporal Antoine Brochu, Canadian Armed Forces Combat Camera.

Quality of life impacts

This core responsibility contributes to the Prosperity domain of the Quality of Life Framework for Canada, specifically supporting the 'Income and growth' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 7: Marine Navigation.

Table 7.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Mariners safely navigate Canada's waters' in the last three fiscal years.

Table 7.1: Mariners safely navigate Canada's waters

Departmental Result Indicator	Target	Date to achieve target	Actual Result
Rate of marine incidents versus vessel movements	At most 1%	March 2026	2023-24: 0.02% 2024-25: 0.02% 2025-26: 0.02%

Table 7.2 shows the target, the date to achieve the target and the actual result for each indicator under a 'Canadian maritime economy that is supported by navigable waters' in the last three fiscal years.

Table 7.2: A Canadian maritime economy that is supported by navigable waters

Departmental Result Indicator	Target	Date to achieve target	Actual Result
Rate of marine incidents versus vessel movements	At most 1%	March 2026	2023-24: 0.02% 2024-25: 0.02% 2025-26: 0.02%
Percentage of ship ice escort requests south of the 60th parallel north that are delayed beyond level of service response time standards	0%	March 2026	2023-24: 2% 2024-25: 2% 2025-26: 1%[1]
Average time (in hours) beyond level of service response time standards for ice escort requests south of the 60th parallel north	0	March 2026	2023-24: 6.5 2024-25: 15 2025-26: 20.9[1]

[1]Icebreaking responded to a total of 352 requests for route assistance (freeing beset vessel and escorts). Seven of those requests were delayed. The target was not met because a rapid freeze and harsh weather conditions generated overlapping requests for services, requiring icebreakers to complete ongoing tasks before responding to new ones. This temporary increase in demand exceeded available icebreaking capacity, resulting in response delays. Planned fleet renewal and shipbuilding initiatives are expected to increase icebreaking capacity, reduce delays, and improve response times in the future.

Table 7.3 shows the target, the date to achieve the target and the actual result for each indicator under 'Enhanced relationships with, involvement of, and outcomes for Indigenous people' in the last three fiscal years.

Table 7.3: Enhanced relationships with, involvement of, and outcomes for Indigenous people

Departmental Result Indicator	Target	Date to achieve target	Actual Result
Number of agreements / arrangements involving Indigenous groups	At least 6	March 2026	2023-24: 6 2024-25: Not applicable 2025-26: Not applicable[1]
Number of Indigenous people employed through agreements / arrangements	Not available	Not available	2023-24: Not applicable 2024-25: Not applicable 2025-26: Not applicable[1]

[1]The results for these indicators are informed by programs and activities that were retained by the Department of Fisheries and Oceans (Hydrographic Services) following the transfer of the Canadian Coast Guard to the Department of National Defence. As such, they will be reported on in the Department of Fisheries and Oceans 2025-26 Departmental Results Report.

The Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Marine Navigation in 2025-26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Mariners safely navigate Canada's waters

Results Achieved

The Canadian Coast Guard (CCG) advanced marine navigation modernization through digital service delivery, strengthened partnerships, and system integration aligned with evolving international standards. These efforts improved access to navigation information, enhanced coordination across the maritime domain, and supported safe and efficient vessel movement in Canadian waters.

Advancing Digital Navigation Services

In fiscal year (FY) 2025-26, the CCG advanced digital navigation and modernization:

- Progressed the Marine Navigation Modernization Strategy to align programs with international standards and enable the transition to digital service delivery;
- Contributed to the development of international S-100 standards supporting the digitalization of marine navigation services; and
- Advanced key initiatives under the Canadian e-Navigation Roadmap, including enhancements to the e-navigation portal and further digitalization of the Notice to Mariners system, improving access to navigation information.

Strengthening Partnerships and Collaboration

In FY 2025-26, the CCG strengthened collaboration across government and with marine stakeholders:

- Collaborated with federal partners—including the Canadian Hydrographic Service (Fisheries and Oceans Canada), Transport Canada, and Environment and Climate Change Canada—to advance navigation solutions and digital services supporting safer and more coordinated marine navigation; and
- Engaged key marine stakeholders such as ports, pilotage authorities, shipping companies, and ferry operators, to support the effectiveness and reliability of navigation systems.

Modernizing Systems and Operational Delivery

In FY 2025-26, the CCG modernized systems and improved operational efficiency:

- Advanced capital projects that streamlined and automated reporting and monitoring processes, improving efficiency for mariners; and
- Enhanced system integration through initiatives such as the Collaborative Voyage Management System, providing a more comprehensive view of marine traffic across Canada's maritime domain.

Supporting Environmental Protection in Navigation

In FY 2025-26, the CCG integrated environmental considerations into marine navigation services, including environmental protection measures by supporting the federal marine mammal protection initiatives through the Marine Mammal Desk and Marine Mammal Tool, improving monitoring of vessel activity in key protection areas and supporting safer vessel routing.

A Canadian maritime economy that is supported by navigable waters

Results Achieved

In fiscal year (FY) 2025-26, the Canadian Coast Guard (CCG) services strengthened maritime safety, delivered marine communications and traffic management, and supported safe and efficient commercial shipping navigation.

Supporting Commercial Navigation in Canadian Waters

In FY 2025-26, the CCG supported the Canadian maritime economy:

- Provided an integrated system of aids to navigation, icebreaking, and traffic services that ensures safe, orderly, and efficient vessel movement through Canadian waters including in the main inland marine trade route, the Great Lakes-St. Lawrence Seaway;
- Collaborated with the Canadian Hydrographic Service and industry partners to test and validate S-100 digital navigation services in real-world conditions during the St. Lawrence River sea trials;
- Delivered icebreaking services to keep shipping lanes and ports open, enabling reliable, extended-season trade across the region;

- Enhanced mariner awareness through continuous communication of weather, water levels, ice conditions, and navigation hazards; and
- Advanced capital projects that streamline and automate reporting and monitoring processes, including the Collaborative Voyage Management System, improving information sharing and providing a more comprehensive view of marine traffic throughout Canada's maritime domain while advancing implementation of a new Vessel Traffic Management Information System.

Supporting Safe and Accessible Arctic Navigation

The CCG enhanced the safety and sustainability of Arctic maritime activity through coordinated operations, service delivery, and engagement with federal and Indigenous partners. Efforts focused on strengthening navigation safety, optimizing fleet operations, improving marine communications, and supporting growing maritime traffic. Ongoing engagement with Inuit, First Nations, and Métis communities remains integral, ensuring Arctic operations are delivered in a manner that supports community needs, environmental stewardship, and maritime safety.

In FY 2025-26, the CCG strengthened navigation safety and service delivery in Arctic waters:

- Completed risk-based reviews of aids to navigation across five service areas, improving reliability and reducing hazards for marine traffic;
- Delivered integrated missions—including icebreaking, aids to navigation, scientific operations, multi-agency exercises, and community resupply—supporting safe navigation and economic activity;
- Provided continuous marine communications and information services to regulated vessels, improving situational awareness in a complex operating environment; and
- Strengthened marine accessibility and response readiness through coordinated vessel positioning and icebreaking, supporting reliable transportation and incident response.

Improving Safety in Northern Low-impact Shipping Corridors

In FY 2025-26, the CCG continued to refine shipping corridors to balance safety, environmental protection, and community priorities:

- Collaborated with Transport Canada and Indigenous partners to refine low-impact shipping corridors, including route adjustments to avoid ecologically sensitive areas such as walrus haul-out sites near Coral Harbour, Nunavut;
- Incorporated community input and mitigation measures into Arctic Orders and advance notification processes for vessel activities, improving coordination and responsiveness to community concerns; and
- Delivered updated Arctic Guidelines, including mapping of protected areas and operational direction on speed, noise, and routing, to reduce environmental impacts to marine mammals and contribute to safer vessel movement.

Strengthening Arctic Operations and Partnerships

In FY 2025-26, the CCG advanced implementation of its Arctic Strategy through strengthened partnerships and operational integration:

- Strengthened collaboration with Indigenous partners through the renewal of the Community Engagement Coordinator roles, improving marine operations with community priorities and supporting safe, reliable marine access;
- Improved access to marine service careers in the North by reducing barriers for northern candidates and incorporating northern and cultural considerations into recruitment and training. These efforts strengthened workforce readiness, increased access to marine expertise in northern communities, and helped maintain safe and reliable marine services; and
- Integrated community perspectives into operational planning and delivery through direct engagement with Community Engagement Coordinators based in Tuktoyaktuk, Northwest Territories; Pangnirtung, Nunavut; Churchill, Manitoba; and Postville, Newfoundland and Labrador, enhancing coordination, situational awareness, and local responsiveness while supporting safe marine transportation and sustained navigability for Arctic communities and industry.

Enhanced relationships with, involvement of, and outcomes for Indigenous people

Results Achieved

The Canadian Coast Guard (CCG) strengthened relationships and collaborations with Indigenous partners across Canada by embedding Indigenous governance, knowledge, and engagement approaches into operations and service delivery across coastal, northern, and inland regions. Guided by the *United Nations Declaration on the Rights of Indigenous Peoples Act* and the Fisheries and Oceans Canada-CCG Reconciliation Strategy, the CCG continued to prioritize co-development, co-design, and co-delivery approaches across its programs and services:

- Strengthened collaborative governance across Canada with Inuit, First Nations, and Métis partners, including 13 co-hosted governance and engagement meetings in Inuit Nunangat, the Northwest Territories, and the Hudson Bay and James Bay regions, supporting the development of distinctions-based governance structures;
- Improved transparency and responsiveness through the delivery of 226 community notifications during the operational season, supported by follow-up tracking and responses, contributing to trust, improved information sharing and stronger relationships with Indigenous coastal communities; and
- Supported Indigenous participation and capacity through targeted investments, including $2.09 million under the Oceans Protection Plan, and $2.64 million through Inuit marine engagement capacity initiatives. Together, these efforts enhanced Indigenous involvement in CCG operations and contributed to improved, culturally informed outcomes for Indigenous peoples.

CCG also advanced Indigenous participation in marine safety and response beyond the Arctic through Oceans Protection Plan initiatives that support Indigenous coastal communities in building capacity, accessing equipment, participating in emergency response, and strengthening their role in Canada's marine safety system.

Resources required to achieve results

Table 7.4 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 7.4: Snapshot of resources required for Marine Navigation

Resource	Planned	Actual
Spending	Not applicable [1]	$202,231,048
Full-time equivalents	Not applicable [1]	1,435

[1]Planned spending and full-time equivalents for Marine Navigation for the fiscal year 2025-26 were reported by the Department of Fisheries and Oceans, prior to the Canadian Coast Guard integration into the Defence Team.

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, no reportable Gender-based Analysis Plus (GBA Plus) results were available for Marine Navigation, as GBA Plus-specific data collection and analysis had not yet been implemented within program performance measurement frameworks. While Marine Navigation programs routinely collect operational data, such as vessel traffic information, service delivery records, and marine safety communications, this data has not yet been systematically analyzed through an intersectional lens to support reportable GBA Plus outcomes.

Throughout the year, programs began early work to integrate GBA Plus considerations into performance measurement and program design. This included exploring how existing operational data sources could be leveraged to better understand differentiated impacts on diverse user groups, including mariners, coastal communities, and Indigenous partners.

As data collection practices and analytical capacity mature, Marine Navigation programs will strengthen their ability to apply GBA Plus in a systematic and evidence-based manner. This foundational work supports future reporting of GBA Plus results and contributes to more inclusive, responsive, and effective marine navigation services.

Program inventory

Marine Navigation is supported by the following programs:

- Icebreaking Services;
- Aids to Navigation;
- Waterways Management;
- Marine Communications and Traffic Services; and
- Shore-based Asset Readiness.

Additional information related to the program inventory for Marine Navigation is available on the Results page on GC InfoBase.

Core responsibility 8: Marine Operations and Response

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Resources required to achieve results
- Gender-based Analysis Plus
- Program inventory

Description

Provide marine response services and operate Canada's civilian maritime fleet.



Image 8: Canadian Coast Guard Ship *Baie de Plaisance*

Canadian Coast Guard search and rescue lifeboats conduct marine searches, respond to distress calls, and assist disabled vessels. These self-righting vessels operate up to 120 nautical miles from shore and support critical maritime safety services.

Photo: Hike Metal Products.

Quality of life impacts

This core responsibility contributes to the Environment domain of the Quality of Life Framework for Canada, specifically supporting the 'Environment and people' sub-domain, as demonstrated through the activities mentioned in the core responsibility description.

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 8: Marine Operations and Response.

Table 8.1 shows the target, the date to achieve the target and the actual result for each indicator under 'Canadian Coast Guard has the capability to respond to on-water incidents' in the last three fiscal years.

Table 8.1: Canadian Coast Guard has the capability to respond to on-water incidents

Departmental Result Indicator	Target	Date to achieve target	Actual Result
Percentage of responses to environmental incidents that meet established standards	100%	March 2026	2023-24: 100% 2024-25: 100% 2025-26: 100%
Percentage of search and rescue responses that meet established standards	At least 99%	March 2026	2023-24: 99% 2024-25: 99% 2025-26: 99.3%

Table 8.2 shows the target, the date to achieve the target and the actual result for each indicator under 'Canada's Civilian fleet has the capability to meet established service standards for clients' in the last three fiscal years.

Table 8.2: Canada's Civilian fleet has the capability to meet established service standards for clients

Departmental Result Indicator	Target	Date to achieve target	Actual Result
Operational days delivered vs. operational days planned	At least 90%	March 2026	2023-24: 93.72% 2024-25: 95.21% 2025-26: 96.54%
Percentage of operational days lost due to crewing and logistical issues	At most 3%	March 2026	2023-24: 0.54% 2024-25: 0.67% 2025-26: 0.58%
Percentage of operational days lost due to unplanned maintenance	At most 3%	March 2026	2023-24: 2.22% 2024-25: 2.28% 2025-26: 3.10%[1]

[1]The target was not met due to higher-than-average unplanned maintenance requirements across several assets in FY 2025-26. This increase was primarily driven by unexpected mechanical deficiencies and equipment failures affecting a select number of vessels, resulting in additional corrective maintenance and extended repair periods.

Table 8.3 shows the target, the date to achieve the target and the actual result for each indicator under 'Enhanced relationships with, involvement of, and outcomes for Indigenous people' in the last three fiscal years.

Table 8.3: Enhanced relationships with, involvement of, and outcomes for Indigenous people

Departmental Result Indicator	Target	Date to achieve target	Actual Result
Number of agreements / arrangements involving Indigenous groups	At least 58	March 2026	2023-24: 29 2024-25: 115 2025-26: 125
Number of Indigenous people trained through agreements / arrangements	At least 221	March 2026	2023-24: 425 2024-25: 451 2025-26: 689

The Results section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Marine Operations and Response in 2025-26 compared with the planned results set out in the Department of National Defence and the Canadian Armed Forces departmental plan for the year.

Canadian Coast Guard has the capability to respond to on-water incidents

Results Achieved

In fiscal year (FY) 2025-26, the Canadian Coast Guard (CCG) strengthened its operational response capability through enhanced enforcement, improved coordination with Indigenous and community partners, and continued implementation of the Ocean Protection Plan. These efforts improved preparedness, response effectiveness, and environmental protection across Canada's waters.

Strengthening Marine Response and Enforcement

In FY 2025-26, the CCG strengthened enforcement and response capacity for hazardous vessels and marine pollution:

- Removed 47 hazardous vessels from Canada's marine environment, and issued nine administrative monetary penalties to non-compliant owners under the *Wrecked, Abandoned or Hazardous Vessels Act* since the creation of its enforcement program;
- Delivered enforcement training to CCG officers on the effective use of legislative tools supporting the polluter pay principle, strengthening investigative and inspection powers, notetaking, and marine pollution and wrecked vessel legislation; and
- Strengthened cost recovery processes in response to hazardous and polluting vessels under the polluter pay principle, with 61 claims submitted, totaling $8.9 million.

Enhancing Community-Based Response Capacity

In FY 2025-26, the CCG expanded community and Indigenous response capability:

- Provided $6.2 million to 73 communities and organizations across all CCG regions. Funding supported local capacity through the hiring of marine liaison officers, purchasing equipment, and delivering training;
- Advanced the Communications Portal for Integrated Incident Response project through 34 funded work plans and collaborated with 15 Indigenous communities;
- Developed and piloted a minimum viable product supporting incident related information across the full continuum of response—from early assessment and notification through to close out—with a focus on CCG response programs and Indigenous partners; and
- The Communications Portal for the Integrated Incident Response project, a core component of the Co-Developing Community Response accommodation measure, was extended. The portal supports improved notification, supporting involvement in spill response planning and exercises, and strengthening information-sharing during marine incidents, strengthening Indigenous participation in response activities.

Strengthening Marine Emergency Preparedness and Coordination

In FY 2025-26, the CCG strengthened marine emergency preparedness and coordination through enhanced planning, governance, and engagement with partners:

- Advanced Integrated Marine Response Planning by developing draft guidelines, a national planning template, and delivering regional workshops with Indigenous partners and stakeholders through inclusive, risk-informed planning that integrated both scientific data and Indigenous Knowledge; and
- Strengthened marine safety and response capacity through enhanced governance, expanded maritime security responsibilities, and improved coordination mechanisms.

Expanding Maritime Security Mandate

In FY 2025-26, following Royal Assent of Bill C-12, the CCG implemented operational directions to support its expanded maritime security mandate, including the establishment of national governance structures and program-level coordination mechanisms:

- Advanced implementation planning and cross-functional coordination to support effective delivery of maritime security initiatives, contributing to a more integrated, responsive operational posture; and
- Secured $816 million over seven years to expand maritime security capabilities, supporting increased readiness and response capacity.

Strengthening Search and Rescue Capability

In FY 2025-26, the CCG maintained high operational performance in search and rescue (SAR):

- Delivered core SAR training to personnel engaged in SAR operations, including on-scene coordination and search planning functions. SAR capability training for CCG auxiliary

personnel, and exercise planning and design training for Indigenous partners remain outstanding planned activities but will continue to be a priority deliverable;

- Delivered SAR and Marine Environmental Hazards and Emergency Response (MEHR) training to maintain operational readiness, including familiarization, coordination, planning, and refresher courses. MEHR training emphasized awareness and response capabilities related to marine pollution, hazardous substances, and operational duties; and
- Maintained strong operational performance, with 2,508 of 2,526 valid SAR taskings meeting established standards, representing 99.3% compliance over an 11-month period.

Canada's Civilian fleet has the capability to meet established service standards for clients

Results Achieved

The Canadian Coast Guard (CCG) strengthened fleet capability and service delivery through fleet renewal under the National Shipbuilding Strategy, with new vessels designed to maximize operational flexibility and incorporate modern marine technologies.

Advancing Fleet Renewal and Vessel Acquisition

In fiscal year (FY) 2025-26, the CCG advanced fleet renewal and vessel acquisition under the National Shipbuilding Strategy to strengthen operational capability and replace aging assets:

- Accepted delivery of the Canadian Coast Guard Ship (CCGS) *Naalak Nappaaluk*, an Offshore Oceanographic Science Vessel in November 2025;
- Awarded Chantier Davie Canada a contract to build the CCGS *Arpatuuq*, with steel cutting completed in August 2025 in Helsinki, Finland, with delivery expected in 2030;
- Awarded Vancouver Shipyards a construction contract for the CCGS *Imnaryuaq*, and full-rate construction began in July 2025, with delivery expected in 2031; and
- Completed delivery and acceptance of all 20 vessels under the 20 search and rescue lifeboat project in November 2025.

Strengthening Fleet Management and Long-term Planning

In FY 2025-26, the CCG strengthened fleet management and long-term planning to improve readiness, operational visibility, and support future capability requirements:

- Implemented the Fleet Status System, improving visibility into maintenance schedules and operational readiness;
- Advanced long-term capability planning through development of fleet aviation strategies and polar operational requirements to support Arctic and future operational demands; and
- Initiated infrastructure planning under the Fleet Sustainability Initiative, Engineering and Design through Public Services and Procurement Canada for the development of sites that were identified as requiring infrastructure enhancements, and capable of accommodating vessel and helicopter delivery under the Fleet Renewal Plan. Sites include:
    - Bedford Institute of Oceanography, Dartmouth, Nova Scotia;

- A new Polar Icebreaker Maintenance Port, with the preferred location in Sydney, Nova Scotia;
- Expansion of the CCG Southside Base in St John's, Newfoundland;
- Helicopter Hangar for New Polar Helicopters, location to be determined;
- Seal Cove in Prince Rupert, British Columbia;
- Institute of Ocean Sciences, Sidney, British Columbia; and
- CCG Victoria Base, Victoria, British Columbia.

Extending the Life of Existing Vessels

The CCG extended the operational life of existing vessels through targeted upgrades under the Vessel Life Extension 2020 Project to sustain capability until replacement vessels are delivered:

- CCGS *Pierre Radisson* completed four crane replacements and an emergency generator replacement;
- CCGS *George R. Pearkes* and CCGS *Martha L. Black* completed main engine replacements and various auxiliary and system upgrades;
- Refurbished three Alco main engines for future use;
- Initiated procurement of helicopter refueling systems for the 1,100 and 1,200 vessels; and
- CCGS *Louis St. Laurent* began its propulsion system control upgrade.

Strengthening Operational Training and Workforce Readiness

In FY 2025-26, the CCG enhanced training and workforce readiness to support safe, effective, and multi-mission maritime operations:

- Delivered Dynamic Positioning certification and simulation training and Azipod propulsion systems training, including icebreaking operations, emergency towing procedures, equipment handling, and deck operations such as crane operations and rescue davit deployment;
- Strengthened marine emergency preparedness through Marine Emergency Duties certification programs and refresher training to maintain operational readiness across the fleet;
- Delivered polar operations training, including Polar Basic and Polar Advanced programs, supporting safe and effective navigation in Arctic conditions;
- Implemented block credit training pathways aligned with Standards of Training, Certification, and Watchkeeping, supporting certification progression which incorporates recognition of prior learning and modular training models, enabling more flexible and efficient career progression; and
- Enhanced command-level training through the Command Course, advancing leadership, vessel command certification, and decision-making in complex, multi-mission environments, while integrating new vessel technologies into command operations, reinforcing competencies in crisis management and interagency coordination. A total of 58

graduates attained Certificates of Competency (CoCs) in Marine Engineering or Marine Navigation, including Fourth Class CoCs for Engineers and Watchkeeping Officer certifications for Navigator.

Enhanced relationships with, involvement of, and outcomes for Indigenous people

Results Achieved

The Canadian Coast Guard (CCG) continued to strengthen Indigenous partnerships through co-development, co-management, and co-delivery approaches under the renewed Oceans Protection Plan, supporting increased participation in marine operations and response activities.

Supporting Indigenous Participation and Capacity

In fiscal year (FY) 2025-26, the CCG continued work to increase Indigenous co-development, co-management, and co-implementation of initiatives designed to protect Canadian coastal waters and inland waterways, under the following initiatives:

- Distributed a total of $9.3 million in grants and contribution support to 87 Indigenous communities for capacity, planning, training and/or equipment;
- In March 2026, approximately 90 community and organization representatives participated in regional workshops designed to integrate partner perspectives continuing to develop community capacity for planning and response activities; and
- Successfully delivered 21 Environmental Response Community Caches, increasing to 29 in Arctic communities. The community packs consist of pre-positioned shipping containers equipped with essential environmental response tools, such as sorbent boom and shoreline clean-up kits, improving access to environmental response equipment.

Strengthening Engagement and Long-term Relationships

In FY 2025-26, the CCG strengthened long-term engagement with Indigenous partners and supported workforce participation through sustained collaboration and targeted initiatives:

- Strengthened relationships with Indigenous partners through engagement and collaboration in operational planning and program development, increasing participation in marine safety, response, and environmental protection activities; and
- Advanced the Continuum of Support for Indigenous Learners initiative to strengthen Indigenous learner outreach to Indigenous youth and educators, improving learner participation in training programs, enhancing retention within the Academy program delivery and campus life, and providing culturally appropriate support and guidance to ensure successful transition from learning to joining the fleet.

Resources required to achieve results

Table 8.4 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 8.4: Snapshot of resources required for Marine Operations and Response

Resource	Planned	Actual
Spending	Not applicable[1]	$1,829,864,415
Full-time equivalents	Not applicable[1]	4,832

[1] Planned spending and full-time equivalents for Marine Operations and Response for the fiscal year 2025-26 were reported by the Department of Fisheries and Oceans, prior to the Canadian Coast Guard integration into the Defence Team.

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Gender-based Analysis Plus

In fiscal year 2025-26, the Canadian Coast Guard Academy (formerly the Canadian Coast Guard College) strengthened the application of Gender-based Analysis Plus within marine operations and response by improving access to education and training for underrepresented groups, supporting a more diverse and representative workforce.

Targeted outreach and recruitment efforts focused on Indigenous learners, women, and northern communities resulted in measurable progress in officer cadet intake for marine training programs. Over the year, women represented 30% of officer cadets and non-binary individuals represented 1%, reflecting progress toward more inclusive participation in the marine domain.

Outreach activities reduced structural and geographic barriers to access and included early engagement beginning at the middle-school level, Indigenous summer camps, bilingual recruitment events, and adapted recruitment materials tailored to northern and Indigenous communities. Partnerships with external organizations introduced female students to careers in marine and trade-related fields, while a new partnership with a western Arctic organization improved access to marine training for learners from northern communities. Together, these initiatives supported more accessible and inclusive pathways into marine education.

Program inventory

Marine Operations and Response is supported by the following programs:

- Search and Rescue;
- Marine Environmental and Hazards Response;
- Maritime Security;
- Fleet Operational Capability;
- Fleet Maintenance;

- Fleet Procurement; and
- Canadian Coast Guard College.[1]

[1] The Canadian Coast Guard College was renamed the Canadian Coast Guard Academy in September 2025. References to either name in this report reflect the organization's name before and after the renaming, respectively.

Additional information related to the program inventory for Marine Operations and Response is available on the Results page on GC InfoBase.

Internal services

In this section

- Description
- Progress on results
- Resources required to achieve results
- Risk and compliance process
- Contracts awarded to Indigenous businesses

Description

Internal services are the activities and resources that support a department in meeting its corporate obligations and delivering its programs. The 10 categories of internal services are:

- Acquisition management services
- Communications services
- Financial management services
- Human resources management services
- Information management services
- Information technology services
- Legal services
- Material management services
- Management and oversight services
- Real property management services

Progress on results

This section presents details on how the department performed to achieve results and meet targets for internal services.

Communications services

The Department of National Defence (DND) and the Canadian Armed Forces (CAF) together represent the largest institution within the federal government. The complex information environment reinforces the need for proactive and sustained efforts to inform Canadians about threats to national security and the role of the CAF in defending Canada's values, interests, and sovereignty. These efforts support public understanding of the CAF's mission and reinforce its credibility and trust with Canadians, stakeholders, and international partners.

Strategic communications supported key Defence initiatives, including significant enhancements to CAF compensation, the launch of Canada’s Defence Industrial Strategy, the establishment of the Defence Investment Agency, and progress toward the North Atlantic Treaty Organization 2% defence spending target. Communications activities also supported operations, planning, and organizational priorities throughout fiscal year (FY) 2025-26, including progress in military justice, procurement, and innovation.

In FY 2025-26, the department managed 2,827 media requests (up from 1,897 in FY 2024-25) and 2,705 public enquiries (up from 2,200), including 689 media calls related to the Canadian Coast Guard (CCG). It delivered 346 stakeholder engagements and prepared 290 speeches for the

Minister and senior leadership. A total of 147 news releases were issued, (including 49 from the CCG) and enhanced its Canada.ca presence through refreshed and expanded content highlighting Defence activities in Canada and abroad.

Digital engagement efforts expanded significantly. CAF recruitment campaigns generated 951 million impressions, and 356,000 application start clicks, while social media following increased by 16.6% across CAF platforms and 35% for the CCG. The National Veterans' Week Speakers Program engaged over one million Canadian. Improvements to Canada.ca content and usability supported better access to information on recruitment, operations, policies, and Veteran services. The Department also processed over 2,600 Access to Information requests and more than 7,100 privacy requests.

Financial management services

In FY 2025-26, DND/CAF supported effective resource allocation and decision-making through integrated business planning, financial oversight and performance reporting. These activities ensured alignment of financial resources with Government and Defence priorities, supported transparency and accountability, and enabled the delivery of defence operations and capabilities, including oversight of major capital investments and alignment with evolving defence priorities.

Human resources management services

In FY 2025-26, DND modernized its civilian human resources (HR) service delivery to improve efficiency, accessibility, and workforce stability. Staffing performance improved significantly, with externally advertised processes completed 16% faster and internally advertised processes 30% faster than across the broader Public Service. A total of 15,052 staffing actions were completed, up from 12,280 in the previous year. Pay stabilization efforts delivered measurable improvements, reducing cases outside service standards by approximately 24%, cases older than a year by 38%, and the overall average age of cases by 27%.

Access to integrated HR services expanded through the rollout of standardized delivery models, including the extension of the Enhanced Client Service and Support Model and its integration with HR Connect RH. These improvements reduced duplication, enhanced case tracking, and improved resolution of HR-to-Pay issues.

Defence maintained stable HR and pay services during the transfer of approximately 7,000 employees following the transfer of Canadian Coast Guard and Fisheries and Oceans Canada personnel in September 2025. Oversight of hybrid work arrangements was sustained, with 78% of employees having approved work arrangements and with an average onsite presence of 65%.

To strengthen integrated workforce planning and governance, DND advanced the strategic role of civilian HR, including Direction from the Deputy Minister and the Chief of the Defence Staff in January 2026, to transition to a Chief Human Resources Officer model, alongside the establishment of a Human Resources Integrator function.

Information management services

In FY 2025-26, Defence strengthened enterprise information management (IM) to support operational readiness, digital modernization, and decision-making. Progress focused on improving data quality, governance, and visibility of information and application assets across Defence.

Key initiatives included advancing the Digital Learning Roadmap and targeted awareness efforts to improve adoption of data management practices, enabling more effective reuse of enterprise data. Data quality improvements within the Defence Resource Management Information System enhanced the reliability of key datasets in advance of the DefenceX migration, supporting more robust analysis for force posture and readiness decisions. A repeatable remediation approach was established to support scalable adoption across Defence and integration with enterprise data governance tools.

Oversight of Defence application assets also improved through enhanced enterprise portfolio management, including validation and cleanup of legacy application data and the establishment of the Defence Application Repository as an authoritative source. These efforts improved visibility, reduced duplication and risk associated with aging systems, and strengthened prioritization of modernized investments aligned with long-term defence and security objectives.

Information technology services

In FY 2025-26, Defence improved enterprise information technology (IT) services to improve service reliability, cyber resilience, and alignment between digital investments and operational priorities. Progress focused on modernizing core platforms, strengthening governance, and improving the user experience across the Defence Team. Enterprise IT foundations were strengthened through implementation of the Defence Enterprise Architecture Management model, improving oversight of IM/IT solutions and alignment between mission requirements and technical designs. This supported major capital projects in meeting Government of Canada information and data management standards and enabled more consistent application of enterprise design principles across Defence.

IT service delivery improved through the rationalization of legacy service management tools and enhancements to platform readiness across protected and classified environments. Oversight of cloud and software investments improved visibility of usage, reduced unused resources, and supported improved cost control and forecasting. Together, these measures reduced operational risk and supported the reliability and predictability of enterprise IT services.

The digital workplace was further strengthened to support a flexible, hybrid, and globally connected workforce. Progress included modernization of telephony services, enhanced collaboration platforms, and improved onboarding processes to ensure personnel had timely access to secure digital tools and improved first-day readiness. Expanded cloud-based Protected B capabilities supported secure data sharing and analytics, strengthening readiness for digital transformation and collaboration with domestic and allied partners.

Legal services

In FY 2025-26, the Department advanced reforms to the military justice system through legislative, regulatory, and policy initiatives to strengthen alignment with civilian justice standards. Progress included the implementation of recommendations from the Third Independent Review (IR3) and Independent External Comprehensive Review, with six IR3 recommendations fully implemented and others substantially advanced, supporting continued modernization of the military justice system and strengthened accountability. Legislative reform progressed with Bill C-11 advancing to the report stage in the House of Commons, proposing the removal of military jurisdiction over Criminal Code sexual offences committed in Canada, alongside related amendments to the military justice framework. Governance initiatives included consultations on a permanent military

court, progression of associated working group outputs, initial steps to enhance the independence of military prosecutors and defence counsel, and multiple regulatory amendments supporting implementation.

The Department of Justice's Office of the Department of National Defence and Canadian Forces Legal Advisor (DND/CF LA) provided litigation and advisory support across defence priorities. This included support to complex class action litigation and workplace-related discrimination claims such as the CAF *Systemic Racism Class Action* (sexual misconduct), *Heyder-Beattie* (sexual misconduct)*, Lockhart* (Cadets), and *Thomas* (CAF mental health). Additionally, it provided advisory services related to the transition of the Canadian Coast Guard into the Defence Portfolio, Indigenous reconciliation through land access agreements, major capital projects, procurement modernization, Defence Industrial Strategy initiatives, and the provision of military assistance to Ukraine and allied engagements. These services supported alignment with Canadian and international law and contributed to defence and security objectives.

The Departmental Litigation Oversight team supported the DND/CF LA and departmental stakeholders in ensuring compliance with four class action settlement agreements. This included preparation for external review and implementation of systemic relief measures related to CAF-DND Sexual Misconduct, as well as implementation of the final settlement agreement for the CAF Systemic Racism Class Action, including the launch of a one-year claims period in October 2025.

Management and oversight services

In FY 2025-26, Defence strengthened departmental oversight through the completion of key audits that provided assurance and identified opportunities to improve the management of services and initiatives, including the Audit of the Travel Administration Process, Audit of Pay Determination for University Teachers, and Contracted Transportation Services. The Department also undertook a series of evaluations to assess program relevance, effectiveness, and efficiency, which informed decision-making and continuous improvements through the completion of the Evaluation of the Canadian Armed Forces Retention, Evaluation of the Military Justice and Grievance Training Programs, Evaluation of Capability Acquisition Modernization, Evaluation of Canadian Coast Guard Marine Navigation, and Restorative Engagement Program Evaluation.

Defence also strengthened regulatory capacity, reduced backlog, and improved compliance with the Cabinet Directive on Regulations. In addition, regulatory proposals were advanced to reduce administrative burden and improve clarity, while providing expert advice to support departmental priorities.

Overall, internal services strengthened the Department's capacity to deliver on its mandate through improved governance, service delivery, and operational support. Enhancements across communications, human resources, financial management, and digital services improved efficiency, strengthened accountability, and supported timely, informed decision-making across the Defence Team.

Resources required to achieve results

Table 9.1 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 9.1: Resources required to achieve results for Internal Services this year

Resource	Planned	Actual
Spending	$1,060,875,589	$1,659,283,306
Full-time equivalents	4,993	5,946

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page and the People section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase page provide complete financial and human resources information related to its program inventory.

Risk and compliance process

The Risk and Compliance Process (RCP) is a self-assessment designed to help deputy heads verify that they have controls and practices in place to meet their accountabilities under legislation and Treasury Board policy, and to effectively manage risks in their organizations.

In 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) completed the RCP self-assessment. Overall results indicate that DND has established appropriate practices and controls in many areas, particularly in financial management, procurement, values and ethics, and performance management. These areas benefit from defined governance structures, regular senior-level oversight, and mature processes that support decision-making and compliance.

The assessment also identified opportunities to strengthen management practices in other areas. In response, the Department will:

- Invest in real-property planning, maintenance, and renewal to address portfolio condition and improve long-term sustainability;
- Advance a more complete and standardized data inventory and improve data governance practices;
- Enhance grants and contributions oversight through risk-based support, clearer guidance, and improved monitoring practices; and
- Introduce new security processing systems to automate verification steps for employee onboarding and enable more consistent oversight of offboarding processes.

Contracts awarded to Indigenous businesses

Government of Canada departments are required to award at least 5% of the total value of contracts to Indigenous businesses every year.

As shown in Table 9.2, the Department of National Defence and the Canadian Armed Forces awarded 5.08% of the total value of all contracts to Indigenous businesses for the fiscal year.

Table 9.2: Total value of contracts awarded to Indigenous businesses

Contracting performance indicator	2025-26 result
Total value of contracts awarded to Indigenous businesses (A)	$264,318,892
Total value of contracts awarded to Indigenous and non-Indigenous businesses (B)	$9,170,446,929
Value of exceptions approved by deputy head (C)	$3,964,914,874
Proportion of contracts awarded to Indigenous businesses [A / (B−C) × 100]	5.08%

Notes

For the purposes of the minimum 5% target, Indigenous Services Canada defines “Indigenous businesses” as:

- Businesses owned and operated by Elders, band and tribal councils;
- Businesses registered in the Government of Canada’s Indigenous Business Directory; and
- Registered on a modern treaty beneficiary business list

A “contract” is a binding agreement for the procurement of a good, service or construction and does not include real property leases. It includes contract amendments and contracts entered into by means of acquisition cards of more than $10,000.

Defence advanced Indigenous participation in procurement through strengthened engagement with Indigenous partners, suppliers, and the broader procurement community. Efforts focused on improving the visibility of Indigenous businesses, integrating Indigenous participation considerations into procurement planning, and supporting achievement of the Government of Canada’s 5% Indigenous procurement target.

Targeted engagement at industry and Indigenous-focused events provided insight into participation barriers and informed the development of mitigation strategies and procurement tools. Ongoing collaboration, including the integration of Indigenous Procurement Plans, supported training, skills development, and subcontracting opportunities for First Nations, Métis, and Inuit businesses. Collectively, these efforts contributed to DND/CAF achieving the 5% target in FY 2025-26 and reinforced Defence’s commitment to economic reconciliation through practical procurement outcomes.

To continue this momentum, the department increased engagement with Indigenous suppliers and partners and expanded outreach and guidance to procurement teams on permissible strategies to support Indigenous participation. These efforts support opportunities for Indigenous businesses to contribute to Defence procurement outcomes and Canada's broader objectives for Indigenous economic participation.

In its 2026-27 Departmental Plan, the Department of National Defence and the Canadian Armed Forces estimated that it would award 5.08% of the total value of its contracts to Indigenous businesses by the end of 2025-26.

Department-wide considerations

- Related government priorities
- Key risks

Related government priorities

United Nations 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals

In support of the Government of Canada's commitment to climate change action and sustainable development, the Department of National Defence (DND) continued to implement the Defence Climate and Sustainability Strategy (DCSS) in FY 2025-26. The DCSS outlines the department's contributions to the Federal Sustainable Development Strategy (FSDS), which is aligned with the United Nations (UN) 2030 Agenda for Sustainable Development.

Defence advanced the following FSDS goals:

- Goal 10: Advance reconciliation with Indigenous peoples and take action to reduce inequality:
    - Advanced engagement, consultation, and relationship-building with Indigenous partners related to military activities, marine operations, infrastructure, procurement, operations, and service delivery;
    - Supported Indigenous participation in procurement and innovation through supplier engagement, Indigenous Participation Plans, targeted funding, and integration of Indigenous considerations into procurement activities;
    - Provided over $9 million in Canadian Coast Guard funding to support Indigenous training, planning, equipment, and local response readiness; and
    - Increased Indigenous representation, recruitment, and pathways into the Defence Team through targeted staffing initiatives, community partnerships, recruitment programs, and Indigenous Summer Programs.
- Goal 12: Reduce waste and transition to zero-emission vehicles:
    - 75% of conventional light-duty vehicle acquisitions were zero-emission vehicles or hybrids;
    - 85.1% of electricity consumed was clean electricity; and
    - 12.3% reduction in DND's contaminated sites liability.
- Goal 13: Take action on climate change and its impacts:
    - 41.2% reduction in greenhouse gas (GHG) emissions from real property and the conventional fleet, relative to the 2005 baseline;

    - 21.9% reduction in GHG emissions from the national safety and security fleet, relative to the 2005 baseline;
    - Completion of the draft Land Operational Fleet Decarbonization Plan;
    - 96% of eligible bases have been assessed for Energy Performance Contract (EPC) implementation; and
    - 85% of EPCs have moved to the implementation phase.
- Goal 15: Protect and recover species, and conserve Canadian biodiversity:
    - 85% of custodial lands were assessed to determine suitability for Other Effective Area-based Conservation Measure recognition.

Defence contributed to actions that support the FSDS Goals but are not part of the DCSS:

- Advanced innovations under the North American Aerospace Defense Command Modernization science and technology initiative to identify scalable, energy efficient, and sustainable power and energy solutions for Defence's Arctic requirements;
- Leveraged key industrial capabilities within value propositions to support domestic innovation and growth in clean technology through major procurements;
- Incorporated green procurement requirements into requests for proposals to reduce the use of toxic substances in equipment and encourage suppliers to lower greenhouse gas emissions;
- Increased the use of green common procurement instruments when purchasing goods and services, including standing offers and supply arrangements that include environmental considerations;
- Advanced the Land to sea with low GHGs: Arctic Eco-safe Transit of Personnel and Cargo from Ship to Shore challenge, selecting two innovators to progress to the next stage for further consideration for Component 2 or Test Drive opportunities;
- Introduced the Powering the Future: Solid-state Hydrogen Storage for Military Platforms challenge to seek innovative solid-state hydrogen storage solutions that support the decarbonization of military ground vehicles;
- Launched the Less GHG emission on the Seas: Practical Solutions to Measure and Record Energy Consumption challenge to identify technologies capable of accurately measuring fuel and energy consumption and greenhouse gas emissions across the Royal Canadian Navy fleet;
- Launched the Under the Sea: Real-time Detection of Marine Mammals During Sonar Operations challenge to identify technologies capable of providing real-time situational awareness of marine mammal presence, minimizing risk of harm from naval operations; and
- Launched the Unmasking Biothreats: Identifying Biological Agents in the Field challenge seeks solutions for identifying potential biological agents in the field to guide decision-making around the safety of personnel and the public.

More information on DND and the Canadian Armed Forces contributions to Canada's Federal Implementation Plan on the 2030 Agenda and the FSDS can be found in the Defence Climate and Sustainability Strategy.

Artificial Intelligence

In fiscal year 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) advanced the adoption and operationalization of sovereign artificial intelligence (AI) capabilities through targeted challenges with academia and industry, enabling the identification and validation of AI solutions aligned with CAF mission requirements. In February 2026, DND/CAF convened over 200 leaders, including representatives from government, academia, and 85 private-sector vendors to clarify operational requirements, improve understanding of available AI capabilities, and inform procurement and experimentation priorities.

Operational testing and demonstrated results

Pilot projects demonstrated the successful integration of multiple sovereign AI technologies in support of CAF use cases. The Royal Canadian Air Force piloted AI-enabled predictive maintenance tools that improved the ability to anticipate aircraft component failures, supporting readiness and sustainment outcomes. A CAF experiment also demonstrated that AI-generated command handover summaries outperformed human-written versions in clarity and completeness, reducing cognitive burden and improving operational continuity.

Strengthening AI governance and ecosystem integration

DND/CAF supported the development of the North Atlantic Treaty Organization's AI Strategy and advanced Canadian innovation through the Mobilizing Insights in Defence and Security program, enabling researchers to address defence-relevant AI challenges. Foundational governance instruments—including ethics, risk management, implementation, and intake frameworks—were advanced to establish consistent oversight, accountability, and decision-making for enterprise-wide AI adoption.

Scaling AI capability across the Defence Team

The DND AI Centre delivered early operational value by triaging more than 150 AI requests from across the Defence Team and engaging with 62 industry partners to identify high-impact applications aligned with CAF missions. The Centre also advanced foundational AI capabilities to support operational requirements, including fast, lightweight tools that can be used directly in the field, high-performance computing-enabled applications, scalable architectures, and interoperable systems compatible with allied forces.

Indigenous Relations

In fiscal year 2025-26, the Department of National Defence (DND) and the Canadian Armed Forces (CAF) advanced reconciliation with Indigenous People through a coordinated, department-wide approach. Efforts focused on strengthening relationships with First Nations, Inuit, and Métis partners, improving internal capacity, and embedding more inclusive practices across Defence activities. This work aligned with the *United Nations Declaration on the Rights of Indigenous Peoples Act Action Plan*, the *Inuit Nunangat Policy*, and related Government of Canada frameworks.

Building Cultural Awareness and Competency

DND/CAF strengthened Indigenous cultural awareness and engagement capacity across the Defence Team through training, tools, and guidance to support informed and consistent engagement as follows:

- Expanded training and resources, including through the Indigenous Consultation and Engagement Community of Practice and Royal Canadian Air Force-developed materials, improving understanding of Section 35 rights, Crown-Indigenous relations, and consultation requirements related across operations and infrastructure activities;
- Developed and implemented interim Indigenous Relations protocols in support of the North American Aerospace Defense Command (NORAD) Modernization, including guidance for conducting research with Indigenous peoples, an engagement checklist, and an interim directive to support consistent and respectful engagement practices; and
- As part of the Indigenous Identity Review, six CAF badges were assessed in consultation with the Algonquin Anishinaabe community, including Elders and veterans, confirming their continued use and supporting culturally informed decision-making in CAF identity and symbolism.

Advancing Engagement, Consultation and Relationships

Defence strengthened engagement and consultation with Indigenous partners across defence activities, supporting the duty to consult and building long-term relationships, as follows:

- Led consultations with First Nations, Inuit, and Métis communities on military activities and infrastructure, including engagement with communities near Happy Valley-Goose Bay, and advanced co-development of consultation and engagement protocol agreements, including the establishment of a Joint Task Group on multi- and dual-use infrastructure in Inuit Nunangat;
- Provided funding through the Indigenous Reconciliation Program and other mechanisms to support Indigenous participation in engagement and consultation activities;
- Strengthened two-way engagement through northern operations, exercises, and service delivery, supporting early information-sharing, identification of collaboration opportunities, and far North icebreaking, enabling essential community resupply responsiveness to community priorities including for Northern Operational Support Hub sites and the NORAD Northern Basing Infrastructure; and
- Through structured engagement and collaborative governance mechanisms, the CCG worked to better align operational planning and service delivery with community priorities, focusing on inclusive decision making, participation in incident command, early notification of CCG activities, and the identification of culturally and environmentally sensitive areas.

Supporting Operational Readiness through Indigenous Engagement

Indigenous engagement directly supported operational readiness by informing planning, timing, and delivery of defence activities, particularly in Arctic and northern environments, as follows:

- Incorporated Inuit expertise into planning decisions for exercises and operations in Inuit Nunangat and advanced a coordinated Inuit Nunangat approach to engagement and information-sharing;
- Progressed the co-development of procurement policy proposals through the Inuit-Crown Partnership Committee – Joint Task Group on Procurement and supported Inuit Tapiriit Kanatami participation through federal funding;
- Integrated Indigenous knowledge into operational planning and execution, including through Operation NANOOK and consultations related to low-level flying training, supporting a whole-of-government approach to Arctic security; and
- Incorporated Indigenous knowledge into navigation practices, operational guidance, and emergency response planning, while expanding community-led response capacity through training exercises and environmental response caches.

Supporting Indigenous Participation in Procurement and Innovation

Defence advanced Indigenous participation in procurement and innovation through engagement, funding, and integration of Indigenous considerations into procurement processes:

- Increased engagement with Indigenous suppliers, incorporated Indigenous participation considerations into procurement planning, and supported progress toward the Government of Canada's 5% Indigenous procurement objective, including the application of Inuit Benefits requirements;
- Continued engagement with Métis and First Nations communities under the Future Aircrew Training Program to support Indigenous Participation Plan commitments;
- Expanded Indigenous outreach to Indigenous organizations through the Innovation for Defence Excellence and Security program, including outreach to Indigenous organizations and participation in national and northern forums. Defence also introduced initiatives to encourage participation, including Cando, the Nunavut Trade Show, ArcticNet, the Arctic Summit 2026, the Indigenous Trailblazers Summit, and the Arctic Development Expo, as well as launching a new contest, Polar paradigms 2045: Defending Canada's sovereignty;
- Provided funding through the Indigenous Reconciliation Program to support Indigenous participation in engagement and consultation activities; and
- Provided $9 million in CCG funding for Indigenous training, planning, equipment, and community response readiness.

Increasing Indigenous Representation and Pathways into the Defence Team

DND/CAF increased Indigenous representation and access to employment opportunities through targeted recruitment, staffing, and development initiatives as follows:

- Expanded collaboration with Indigenous Career Navigators, established Indigenous-focused candidate pools, appointed Indigenous candidates to executive positions, and increased participation in the Career Navigator Program compared to the previous year;

- Delivered Indigenous Summer Programs (Bold Eagle, Grey Wolf, Carcajou, and Black Bear), combining military training with culturally grounded learning and supporting pathways into military service; and
- Strengthened leadership engagement and visibility through participation in reconciliation-focused events, such as Indigenous Awareness Week, Indigenous Summer Program graduations, the National Day for Truth and Reconciliation, and engagement with Aboriginal Veterans Autochtones at the Invictus Games. Indigenous Advisors also contributed through outreach, advisory roles, and commemorative events.

Collectively, these efforts demonstrate the department's alignment with Government of Canada priorities on sustainability, innovation, and reconciliation. Through coordinated action across environmental stewardship, artificial intelligence, and Indigenous engagement, DND/CAF strengthened its contribution to broader national objectives while supporting operational readiness, responsible governance, and long-term capability development.



Image 9: 5th Canadian Division BLACK BEAR 2025 Career Day

Candidates from BLACK BEAR 2025 explore military trade displays during the 5th Canadian Division career day on 31 July 2025, at Canadian Forces Base Gagetown, New Brunswick.

Photo: Corporal Kelsey Monsen, 5th Canadian Division, Public Affairs.

Key risks

The Defence Team took steps to manage the following four corporate risks, which collectively could impact credibility, modernization efforts, and Canada's ability to meet defence commitments:

- **Prospect of Conflict**: Escalating global or domestic tensions could outpace current force readiness and modernization efforts;
- **Digital and Data Maturity**: Legacy systems, fragmented governance, and low data maturity could hinder agility and evidence-based decision-making;
- **Delivery**: Overburdened governance, low authority limits, and procurement delays threaten timely capability delivery and carry reputational risk; and
- **Professional Conduct**: Failure to address misconduct and foster an inclusive environment free from harassment and violence could undermine operational readiness, effectiveness, and public trust.

Mitigation efforts focused on strengthening readiness and resilience through strategic planning and performance tracking, accelerating digital transformation through unified platforms, enhanced data stewardship, information technology workforce planning, improving delivery by streamlining governance, piloting lifecycle asset management, delegating authorities, and the implementation of the Culture Evolution Strategy. Additional measures included monitoring progress against targets, exploring risk-tolerant approaches, and formalizing lessons learned from pilot programs. Together, these actions strengthened agility, resilience, and institutional trust while helping to manage residual risk.

Spending and human resources

In this section

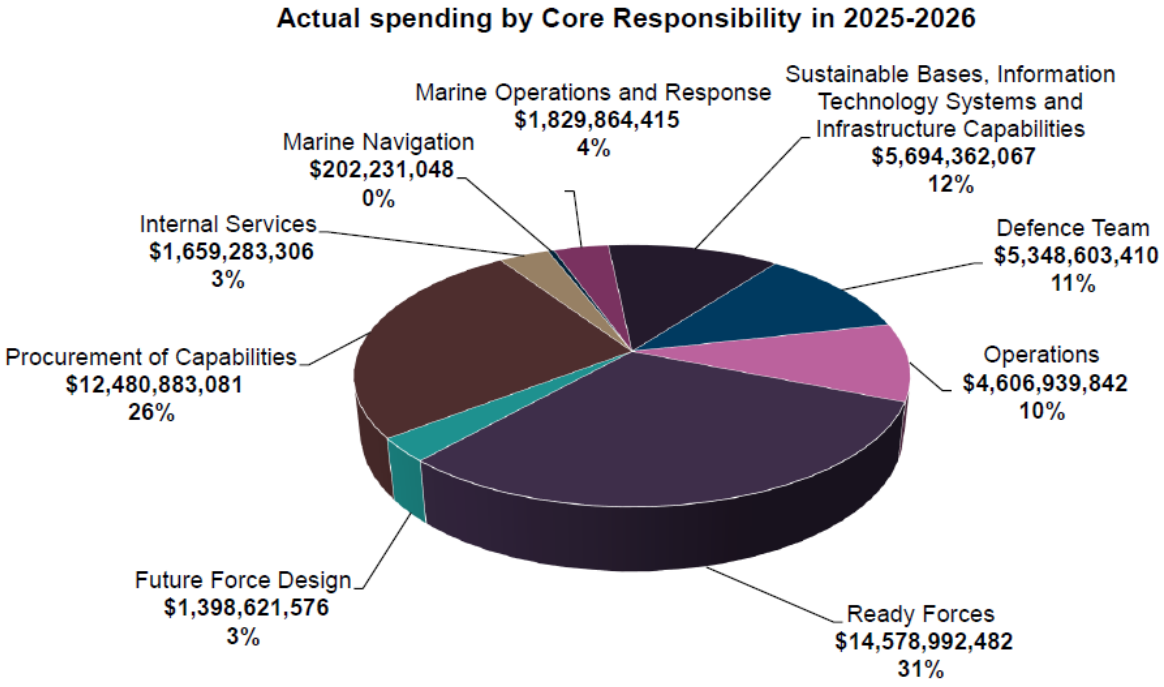
- Spending
- Funding
- Financial statement highlights
- Human Resources

Spending

This section presents an overview of the department's actual and planned expenditures from 2023-24 to 2028-29.

Figure 1 shows how much the department spent in 2025-26 to carry out its core responsibilities and internal services.

Figure 1: Actual spending by core responsibility in 2025-26



Text version of Figure 1

Core responsibilities and internal services	2025-26 actual spending
Operations	$4,606,939,842
Ready Forces	$14,578,992,482
Defence Team	$5,348,603,410
Future Force Design	$1,398,621,576
Procurement of Capabilities	$12,480,883,081
Sustainable Bases, Information Technology Systems and Infrastructure	$5,694,362,067
Marine Navigation	$202,231,048
Marine Operations and Response	$1,829,864,415
Internal Services	$1,659,283,306
Total	**$47,799,781,227**

Analysis of actual spending by core responsibility

The overall variance between planned spending and actual spending in fiscal year (FY) 2025-26 was $12 billion less than planned and is largely attributable to incremental funding received in-year through the Supplementary Estimates and Treasury Board (TB) allotments.

In particular, Supplementary Estimates (A) received access to almost $9 billion in new funding announced in June 2025 to deliver on Canada's commitment to increase defence investments to meet the NATO 2% GDP defence spending target. Additional funding was accessed through Supplementary Estimates (B) and (C) totaling over $1 billion to further support this commitment.

Starting in FY 2025-26, TB approved an allocation of up to $1 billion to supplement other appropriations for expenditures related to national defence or national security, of which the Department of National Defence (DND) received $920 million through TB allotments.

As well, in FY 2025-26 DND managed the transition of the Canadian Coast Guard (CCG) Special Operating Agency and the CCG Support Services Group from the Department of Fisheries and Oceans (DFO), pursuant to an Order in Council effective 2 September 2025. CCG spending prior to 2 September 2025 is reflected in the Departmental Results Report for DFO. Over $2 billion in authorities were deemed to DND from DFO as part of this transition to support spending in the following Core Responsibilities: Internal Services, Marine Navigation (new to DND in FY 2025-26), and Marine Operations and Response (new to DND in FY 2025-26). Canada was confirmed to have met the NATO 2% defence spending target in March 2026.

Budgetary performance summary

Table 10.1 shows the money that the Department of National Defence and the Canadian Armed Forces spent in each of the past three years on its core responsibilities and on internal services.

Table 10.1: Actual three-year spending on core responsibilities and internal services (dollars)

Core responsibilities and internal services	2025-26 Main Estimates	2025-26 total authorities available for use	Actual spending over three years (authorities used)
Operations	$2,270,235,517	$4,658,597,331	• 2023-24: $2,190,545,796 • 2024-25: $2,980,747,779 • 2025-26: $4,606,939,842
Ready Forces	$12,320,171,806	$13,682,991,014	• 2023-24: $13,368,953,006 • 2024-25: $11,960,347,112 • 2025-26: $14,578,992,482
Defence Team	$4,406,612,568	$6,644,016,383	• 2023-24: $5,390,707,098 • 2024-25: $4,521,073,589 • 2025-26: $5,348,603,410
Future Force Design	$1,165,339,276	$1,177,817,932	• 2023-24: $1,472,799,282 • 2024-25: $1,490,747,381 • 2025-26: $1,398,621,576
Procurement of Capabilities	$9,548,783,861	$14,001,302,304	• 2023-24: $4,927,504,771 • 2024-25: $7,383,814,779 • 2025-26: $12,480,883,081
Sustainable Bases, Information Technology Systems and Infrastructure	$4,892,993,081	$5,546,311,152	• 2023-24: $4,913,996,715 • 2024-25: $4,482,599,215 • 2025-26: $5,694,362,067
Marine Navigation	Not applicable [1]	$250,757,369	• 2023-24: Not applicable[1] • 2024-25: Not applicable[1] • 2025-26: $202,231,048
Marine Operations and Response	Not applicable [1]	$1,896,385,674	• 2023-24: Not applicable[1] • 2024-25: Not applicable[1] • 2025-26: $1,829,864,415
Subtotal (s)	**$34,604,136,109**	**$47,858,179,159**	• **2023-24: $32,264,506,668** • **2024-25: $32,819,329,855** • **2025-26: $46,140,497,921**
Internal services	$1,060,875,589	$1,323,976,481	• 2023-24: $1,204,970,119 • 2024-25: $1,105,465,396 • 2025-26: $1,659,283,306
Total (s)	**$35,665,011,698**	**$49,182,155,640**	• **2023-24: $33,469,476,787** • **2024-25: $33,924,795,251** • **2025-26: $47,799,781,227**

[1]2025-26 Main Estimates and 2023-24, 2024-25 Actual spending for Marine Navigation and Marine Operations and Response were reported by Department of Fisheries and Oceans, prior to the Canadian Coast Guard integration into the Defence Team.

Analysis of the past three years of spending

There is a significant increase in spending from fiscal years (FY) 2023-24 and 2024-25 to FY 2025-26. This is related to the June 2025 announcement on Canada's commitment to increase defence investments to meet the NATO 2% GDP defence spending target. During FY 2025-26, the Department of National Defence (DND) received significant incremental funding in-year through the Supplementary Estimates and Treasury Board allotments to support this increase in defence spending.

Over the last three years, some areas that experienced increased spending included contributions to Ukraine (Operations), military pay and allowances (Ready Forces), and major capital equipment and infrastructure projects (Procurement of Capabilities and Sustainable Bases, Information Technology Systems and Infrastructure).

As well, in FY 2025-26 DND managed the transition of the Canadian Coast Guard (CCG) Special Operating Agency and the CCG Support Services Group from the Department of Fisheries and Oceans (DFO), pursuant to an Order in Council effective 2 September 2025. This transition enabled spending in new core responsibilities for DND: Marine Navigation and Marine Operations and Response. CCG spending prior to 2 September 2025 is reflected in the Departmental Results Report for DFO.

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides more financial information from previous years.

Planned spending for next three years

Table 10.2 shows the Department of National Defence and the Canadian Armed Forces planned spending for each of the next three years on its core responsibilities and on internal services.

Table 10.2: Planned three-year spending on core responsibilities and internal services (dollars)

Core responsibilities and internal services	2026-27 planned spending	2027-28 planned spending	2028-29 planned spending
Operations	$5,000,065,978	$3,324,459,887	$3,217,574,111
Ready Forces	$14,611,217,935	$15,265,243,495	$15,520,803,736
Defence Team	$5,377,166,004	$5,508,459,676	$5,616,291,703
Future Force Design	$1,480,674,756	$1,422,481,248	$1,346,302,054
Procurement of Capabilities	$12,768,501,870	$18,802,524,076	$17,474,714,976
Sustainable Bases, Information Technology Systems and Infrastructure	$7,280,548,195	$7,620,000,118	$7,835,275,076
Marine Navigation	$307,634,322	$280,494,648	$257,278,921
Marine Operations and Response	$3,652,797,401	$3,339,037,119	$3,509,111,355
Subtotal (s)	**$50,478,606,461**	**$55,562,700,267**	**$54,777,351,932**
Internal services	$1,224,946,539	$1,247,061,383	$1,264,888,052
Total (s)	**$51,703,553,000**	**$56,809,761,650**	**$56,042,239,984**

Analysis of the next three years of planned spending

Over the next three fiscal years, the Department of National Defence's (DND) planned spending is expected to increase. This growth is primarily driven by incremental funding received to support Canada's commitment to increase defence investments to meet the NATO Defence Investment Pledge of 5% of GDP by 2035, including 3.5% of GDP in core military needs. Notably, Budget 2025 provides $81.8 billion over five years on a cash basis, starting in 2025-26, to rebuild, rearm, and reinvest in the Canadian Armed Forces (CAF). Planned spending also reflects the transfer of the Canadian Coast Guard (CCG) Special Operating Agency and the CCG Support Services Group from the Department of Fisheries and Oceans (DFO) to DND.

In addition, spending is projected to rise as major capital equipment and infrastructure projects advance through key phases. This includes funding for Arctic Over-the-Horizon Radar, River-Class Destroyer, and Joint Support Ships, among others.

The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides more detailed financial information related to future years.

Budgetary actual gross spending

Table 10.3 reconciles gross planned spending with net spending for 2025-26.

Table 10.3: Budgetary actual gross spending summary (dollars)

Core responsibilities and internal services	2025-26 actual gross spending	2025-26 actual revenues netted against expenditures	2025-26 actual net spending (authorities used)
Operations	$4,607,119,925	$180,083	$4,606,939,842
Ready Forces	$14,600,755,514	$21,763,032	$14,578,992,482
Defence Team	$5,422,156,274	$73,552,864	$5,348,603,410
Future Force Design	$1,399,023,030	$401,454	$1,398,621,576
Procurement of Capabilities	$12,480,907,988	$24,907	$12,480,883,081
Sustainable Bases, Information Technology Systems and Infrastructure	$5,961,388,164	$267,026,097	$5,694,362,067
Marine Navigation	$235,755,470	$33,524,422	$202,231,048
Marine Operations and Response	$1,829,864,415	$0	$1,829,864,415
Subtotal (s)	**$46,536,970,780**	**$396,472,859**	**$46,140,497,921**
Internal services	$1,697,366,802	$38,083,496	$1,659,283,306
Total (s)	**$48,234,337,582**	**$434,556,355**	**$47,799,781,227**

Analysis of budgetary actual gross spending summary

For certain services, the Canadian Coast Guard collects service fees to ensure that, where appropriate, the entire cost of delivering the service is not borne by taxpayers. Fees for icebreaking, marine navigation, and dredging support the safe navigation of Canadian waters. These services all fall within the Marine Navigation core responsibility for the Canadian Coast Guard.

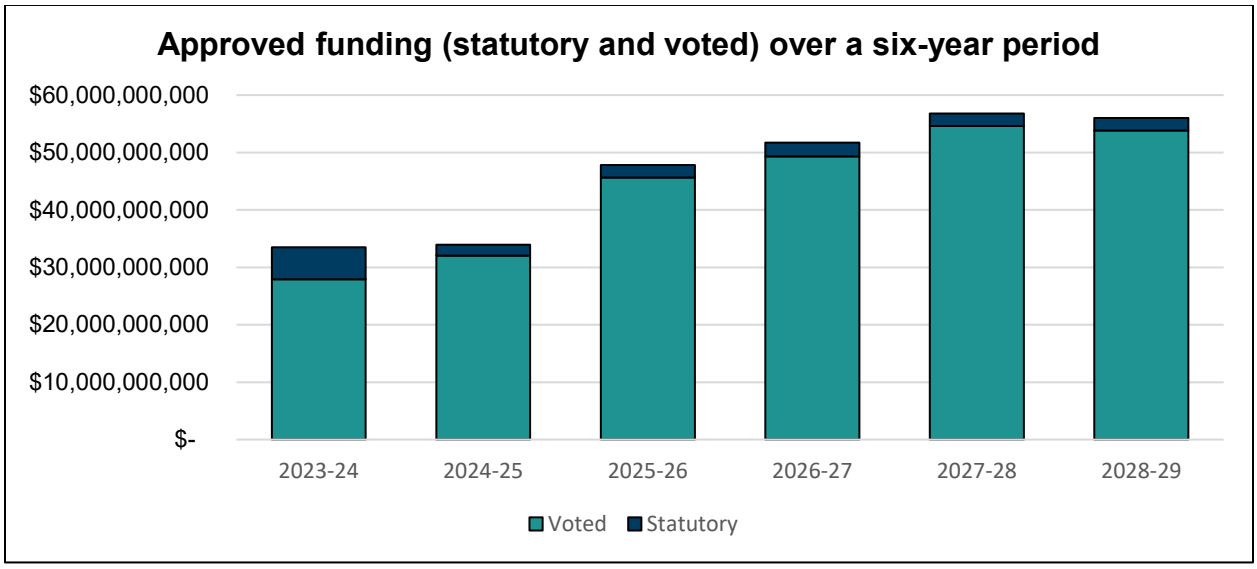
The Finances section of the Infographic for the Department of National Defence and the Canadian Armed Forces on GC Infobase provides information on the alignment of the Department of National Defence and the Canadian Armed Forces spending with Government of Canada's spending and activities.

Funding

This section provides an overview of the department's voted and statutory funding for its core responsibilities and for internal services.

Graph 1 summarizes the department's approved voted and statutory funding from 2023-24 to 2028-29.

Graph 1: Approved funding (statutory and voted) over a six-year period



Text version of Graph 1

Fiscal year	Statutory	Voted	Total
2023-24	$5,547,451,398	$27,922,025,389	$33,469,476,787
2024-25	$1,856,027,442	$32,068,767,809	$33,924,795,251
2025-26	$2,133,354,323	$45,666,426,904	$47,799,781,227
2026-27	$2,382,743,904	$49,320,809,096	$51,703,553,000
2027-28	$2,179,430,130	$54,630,331,520	$56,809,761,650
2028-29	$2,194,401,603	$53,847,838,381	$56,042,239,984

Analysis of statutory and voted funding over a six-year period

In fiscal year (FY) 2023-24, statutory spending was more than planned due to a one-time nominal credit of $3,298 million to the Superannuation Account at year-end to eliminate the actuarial shortfall. This credit was identified in the actuarial report on the Pension Plan for the Regular Force as of 31 March 2022.

The Department of National Defence's funding has increased significantly beginning in FY 2025-26 and will continue to increase over the next three fiscal years. This growth is primarily driven by incremental funding received to support Canada's commitment to increase defence investments to meet the NATO 2% GDP defence spending target.

Consult the Public Accounts of Canada for further information on the Department of National Defence and the Canadian Armed Forces departmental voted and statutory expenditures.

Financial statement highlights

This section presents the Department of National Defence and the Canadian Armed Forces Financial Statements for the year ended March 31, 2026.

Table 10.4 summarizes the expenses and revenues for 2025-26, which net to the cost of operations before government funding and transfers.

Table 10.4: Condensed Statement of Operations for the year ended March 31, 2026 (dollars)

Financial information	2025-26 actual results	2025-26 planned results	Difference (actual results minus planned)
Total expenses	$35,418,698,302	$28,871,687,000	$6,547,011,302
Total revenues	$505,824,011	$378,808,000	$127,016,011
Net cost of operations before government funding and transfers	$34,912,874,291	$28,492,879,000	$6,419,995,291

Analysis of expenses and revenues for 2025-26

The variance between planned and actual 2025-26 results was primarily attributable to significant changes that occurred after the Future-Oriented Statement of Operations was prepared in February 2025. Actual expenses were higher than planned due to increased personnel costs, including growth in Canadian Armed Forces and civilian personnel, military compensation enhancements, civilian pay increases arising from collective agreements, and higher employer contribution costs. The variance also reflects higher non-salary operating expenses, higher transfer payments, including support provided through the Military Training and Cooperation Program and other NATO-related initiatives, as well as the transfer of the Canadian Coast Guard to the Department effective 2 September 2025. These impacts were not reflected, or were not fully reflected, in the planned results.

The 2025-26 planned results information is provided in the Department of National Defence and the Canadian Armed Forces Future-Oriented Statement of Operations and Notes 2025-26.

Table 10.5 summarizes actual expenses and revenues and shows the net cost of operations before government funding and transfers.

Table 10.5: Condensed Statement of Operations for 2024-25 and 2025-26 (dollars)

Financial information	2025-26 actual results	2024-25 actual results	Difference (2025-26 minus 2024-25)
Total expenses	$35,418,698,302	$28,502,901,521	$6,915,796,781
Total revenues	$505,824,011	$360,186,396	$145,637,615
Net cost of operations before government funding and transfers	$34,912,874,291	$28,142,715,125	$6,770,159,166

Analysis of differences in expenses and revenues between 2024-25 and 2025-26

Overall, from fiscal year 2024-25 to 2025-26, the Department's net cost of operations before government funding and transfers increased by $6,770 million (24.1%). The increase in actual expenses was primarily attributable to higher personnel costs resulting from growth in the Canadian Armed Forces (CAF) and civilian workforce, military compensation enhancements, civilian pay increases arising from collective agreements, and higher employer contribution costs. Additional increases were driven by higher transfer payments, including support provided through the Military Training and Cooperation Program and other NATO-related initiatives, as well as increased operating costs for materials and supplies, repairs and maintenance, and professional and special services. In addition, $1,026 million of expenses was attributable to the transfer of the Canadian Coast Guard (CCG) from Fisheries and Oceans Canada to the Department on 2 September 2025.

Table 10.6 provides a brief snapshot of the amounts the department owes or must spend (liabilities) and its available resources (assets), which helps to indicate its ability to carry out programs and services.

Table 10.6: Condensed Statement of Financial Position as at March 31, 2026 (dollars)

Financial information	Actual fiscal year (2025-26)	Previous fiscal year (2024-25)	Difference (2025-26 minus 2024-25)
Total net liabilities	$12,788,984,928	$10,046,919,390	$2,742,065,538
Total net financial assets	$6,747,666,043	$4,681,372,576	$2,066,293,467
Departmental net debt	$6,041,318,885	$5,365,546,814	$675,772,071
Total non-financial assets	$81,532,281,828	$59,140,424,378	$22,391,857,450
Departmental net financial position	$75,490,962,943	$53,774,877,564	$21,716,085,379

Analysis of department's liabilities and assets since last fiscal year

From fiscal year 2024-25 to 2025-26, the Departmental net financial position increased by $21,716 million (40.4%). This is mainly due to continued investments in non-financial assets related to key capital projects, and the transfer of CCG to the Department which incrementally added $8,986 million (16.7%).

Human resources

This section presents an overview of the department's actual and planned human resources from 2023-24 to 2028-29.

Table 10.7 shows a summary in full-time equivalents of human resources for the Department of National Defence and the Canadian Armed Forces core responsibilities and for its internal services for the previous three fiscal years.

Table 10.7: Actual human resources for core responsibilities and internal services for the last three years

Core responsibilities and internal services	2023-24 actual full-time equivalents	2024-25 actual full-time equivalents	2025-26 actual full-time equivalents
Operations	2,867	3,067	3,624
Ready Forces	42,208	41,661	43,293
Defence Team	19,820	21,118	22,668
Future Force Design	2,144	2,202	2,085
Procurement of Capabilities	2,874	3,239	3,483
Sustainable Bases, Information Technology Systems and Infrastructure	15,575	16,178	16,674
Marine Navigation	Not applicable[1]	Not applicable[1]	1,435
Marine Operations and Response	Not applicable[1]	Not applicable[1]	4,832
Subtotal (s)	**85,488**	**87,465**	**98,094**
Internal services	5,099	5,209	5,946
Total (s)	**90,587**	**92,674**	**104,040**

[1]Actual full-time equivalents for Marine Navigation and Marine Operations and Response for the fiscal years 2023-24 and 2024-25 were reported by Department of Fisheries and Oceans, prior to the Canadian Coast Guard integration into the Defence Team.

Analysis of human resources for the last three years

The Defence Team has grown by 2,817 civilian full-time equivalents (FTEs) over the last three years, bringing the departmental total to over 30,000 civilian FTEs. In response to the Government of Canada's investment in bringing Canada's defence spending to 2% of GDP, growth was concentrated in fiscal year 2025-26 (over 1,500 civilian FTEs). Investments in key sectors such as logistics, health care, engineering, information technology, procurement, and corporate support functions, increased the Defence Team's capacity to deliver critical defence capabilities, support military readiness, and meet growing operational requirements. In addition, integrating the Canadian Coast Guard into the department included the transfer of over 6,000 civilian FTEs into the Defence Team and is in addition to the 30,000 referenced above.

DND continued to invest in targeted recruitment initiatives, improved staffing and classification processes, and the recruitment of skilled talent made available through broader public service workforce adjustments. These activities enhanced the Department's ability to build the capacity needed to deliver current and future Defence priorities.

Table 10.8 shows the planned full-time equivalents for each of the Department of National Defence and the Canadian Armed Forces core responsibilities and for its internal services for the next three years. Human resources for the current fiscal year are forecast based on year to date.

Table 10.8: Human resources planning summary for core responsibilities and internal services for the next three years

Core responsibilities and internal services	2026-27 planned full-time equivalents	2027-28 planned full-time equivalents	2028-29 planned full-time equivalents
Operations	3,515	3,588	3,655
Ready Forces	43,894	44,680	45,372
Defence Team	22,704	23,090	23,414
Future Force Design	2,068	2,072	2,064
Procurement of Capabilities	3,501	3,521	3,520
Sustainable Bases, Information Technology Systems and Infrastructure	16,897	16,997	17,091
Marine Navigation	1,687	1,721	1,756
Marine Operations and Response	4,728	4,822	4,918
Subtotal (s)	**98,994**	**100,491**	**101,790**
Internal services	5,957	5,962	5,916
Total (s)	**104,951**	**106,453**	**107,706**

Analysis of human resources for the next three years

Over the next three years, DND will build and sustain a diverse, high-performing, and sustainable civilian workforce to support Canada's defence commitments and operational readiness. The department will balance deliberate workforce growth with ongoing efforts to enhance organizational effectiveness and planning, modernize business processes, and ensure resources are aligned with areas of highest priority.

To attract the talent required to meet evolving demands, DND will continue to leverage targeted recruitment initiatives, talent pipelines, and partnerships, particularly for skilled trades and technical roles. At the same time, the Department will improve operational efficiency by improving digital HR services, streamlining processes, and modernizing tools and systems.

Collectively, these efforts will strengthen workforce planning, improve recruitment and retention, and sustain the civilian expertise needed to deliver on Canada's defence priorities.

The Reserve Force is a valued and integrated component of Defence. It is divided into four distinct sub-components:

- Primary Reserve;
- Cadet Organization Administration and Training Service;
- Canadian Rangers; and
- Supplementary Reserve (Strategic Reserve).

Table 10.9: Total planned and actual human resources for Reserve Force personnel for fiscal year 2025-26

Reserve Force sub-component	Planned 2025-26	Actual 2025-26	Difference (actual minus planned
Primary Reserve	30,000	25,198	(4,802)
Cadet Organization Administration and Training Service	5,915	5,828	(87)
Canadian Rangers	5,680	4,783	897

Supplementary information tables

The following supplementary information tables are available on the Department of National Defence and the Canadian Armed Forces website:

- Details on Transfer Payment Programs
- Gender-based Analysis Plus
- Response to Parliamentary Committees and External Audits
- Status Report on Transformational and Major Capital Projects

Supporting documents

- Incremental Costs for Major Canadian Armed Forces Operations

Federal tax expenditures

The Department of National Defence and the Canadian Armed Forces Departmental Results Report does not include information on tax expenditures.

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures.

This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs as well as evaluations and GBA Plus of tax expenditures.

Corporate information

Departmental profile

Appropriate Minister: The Honourable David J. McGuinty, P.C., M.P.

Associate Minister: The Honourable Jill McKnight, P.C., M.P.

Deputy Minister: Christiane Fox

Chief of the Defence Staff: General Jennie Carignan, CMM, MSC, MSM, CD

Ministerial portfolio:

- Department of National Defence;
- Canadian Armed Forces;
- National Defence and Canadian Forces Ombudsman;
- Independent Review Panel for Defence Acquisition;
- Office of the Chief Military Judge;
- Defence Research and Development Canada;
- Communications Security Establishment;
- Military Police Complaints Commission of Canada; and
- Military Grievances External Review Committee.

Enabling instrument(s):

- *National Defence Act;*
- *Communications Security Establishment Act;*
- *Emergencies Act;*
- *Aeronautics Act;* and
- *Fisheries Act.*

Year of incorporation / commencement: 1923

Departmental contact information

Mailing address: 60 Moodie Drive, Ottawa, Ontario K1A 0K2, Canada

Telephone: 613-992-4581

Email: information@forces.gc.ca

Website(s): https://www.canada.ca/en/department-national-defence.html

Definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, departments or individuals; and payments to Crown corporations.

capability (capacité)

The ability to carry out a military operation to create an effect.

core responsibility (responsabilité essentielle)

An enduring function or role of a department. The departmental results listed for a core responsibility reflect the outcomes that the department seeks to influence or achieve.

Departmental Plan (plan ministériel)

A report that outlines the anticipated activities and expected performance of an appropriated department over a 3-year period. Departmental Plans are usually tabled in Parliament in spring.

departmental priority (priorité)

A plan, project or activity that a department focuses and reports on during a specific planning period. Priorities represent the most important things to be done or those to be addressed first to help achieve the desired departmental results.

departmental result (résultat ministériel)

A high-level outcome related to the core responsibilities of a department.

departmental result indicator (indicateur de résultat ministériel)

A quantitative or qualitative measure that assesses progress toward a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that connects the department’s core responsibilities to its departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report outlining a department’s accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

Full-time equivalent (équivalent temps plein)

Measures the person years in a departmental budget. An employee's scheduled hours per week divided by the employer's hours for a full-time workweek calculates a full-time equivalent. For example, an employee who works 20 hours in a 40-hour standard workweek represents a 0.5 full-time equivalent.

Gender-based Analysis Plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])

An analytical tool that helps to understand the ways diverse individuals experience policies, programs and other initiatives. Applying GBA Plus to policies, programs and other initiatives helps to identify the different needs of the people affected, the ways to be more responsive and inclusive, and the methods to anticipate and mitigate potential barriers to accessing or benefitting from the initiative. GBA Plus goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography (including rurality), language, race, religion, and sexual orientation.

government priorities (priorités gouvernementales)

For the purpose of the 2025–26 Departmental Results Report, government priorities are the high-level themes outlining the government's agenda as announced in the 2025 Speech from the Throne.

horizontal initiative (initiative horizontale)

A program, project or other initiative where two or more federal departments receive funding to work collaboratively on a shared outcome usually linked to a government priority, and where the ministers involved agree to designate it as horizontal. Specific reporting requirements apply, including that the lead department must report on combined expenditures and results.

Indigenous business (entreprise autochtones)

Requirements for verifying Indigenous businesses for the purposes of the departmental result report are available through the Indigenous Services Canada Mandatory minimum 5% Indigenous procurement target website.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What a department did with its resources to achieve its results, how well those results compare to what the department intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative measure that assesses progress toward a departmental-level or program-level result, or the expected outputs or outcomes of a program, policy or initiative.

plan (plan)

The articulation of strategic choices, which provides information on how a department intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to the amounts presented in Main Estimates. Departments must determine their planned spending and be able to defend the financial numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

An Individual, group, or combination of services and activities managed together within a department and focused on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)

A listing that identifies all the department's programs and the resources that contribute to delivering on the department's core responsibilities and achieving its results.

result (résultat)

An outcome or output related to the activities of a department, policy, program or initiative.

statutory expenditures (dépenses législatives)

Spending approved through legislation passed in Parliament, other than appropriation acts. The legislation sets out the purpose and the terms and conditions of the expenditures.

target (cible)

A quantitative or qualitative, measurable goal that a department, program or initiative plans to achieve within a specified time period.

voted expenditures (dépenses votées)

Spending approved annually through an appropriation act passed in Parliament. The vote also outlines the conditions that govern the spending.