



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

DELIVERING CANADA'S FUTURE FIGHTER JET CAPABILITY

Report of the Standing Committee on Public Accounts

John Williamson, Chair

FEBRUARY 2026
45th PARLIAMENT, 1st SESSION

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NOTICE TO READER

Reports from committees presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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THE STANDING COMMITTEE ON PUBLIC ACCOUNTS

has the honour to present its

SEVENTH REPORT

Pursuant to its mandate under Standing Order 108(3)(g), the committee has studied Report 2, Delivering Canada's Future Fighter Jet Capability, of the 2025 Reports 1 to 4 of the Auditor General of Canada and has agreed to report the following:



DELIVERING CANADA'S FUTURE FIGHTER JET CAPABILITY

KEY FACTS AND FINDINGS OF THE AUDITOR GENERAL OF CANADA

- The CF-35A arrangement includes the acquisition of aircraft and associated equipment, weapons, infrastructure, information technology, training, and software support, with Full Operational Capability targeted for 2033–34. New fighter squadron facilities are being built in Cold Lake, Alberta, and Bagotville, Quebec.
- Before the announcement to acquire the jets, National Defence spent about \$1 billion to participate as a partner in the 8-nation Joint Strike Fighter program, which includes the United States, Canada, Australia, Denmark, Italy, the Netherlands, Norway, and the United Kingdom. The Joint Strike Fighter Production, Sustainment and Follow-on Development Memorandum of Understanding is a framework arrangement among the 8 nations that sets how they will collaborate and potentially acquire the F-35.
- As of 31 March 2025, National Defence had committed \$935 million to the United States government to produce the first 4 jets and the delivery of long-lead items necessary to enable the future production for another 8 aircraft, of which \$197 million had already been paid. In addition, National Defence had spent a further \$516 million on the project, including \$270 million for infrastructure design and site preparation.
- The Joint Strike Fighter Program Office had conducted initial readiness assessments of Canada's plans, such as facilities design reviews. The assessments discovered significant issues including insufficient departmental engineering personnel to service support equipment for both the CF-18 Hornet and CF-35A during the transition.
- National Defence's approach to managing risks related to the Future Fighter Capability Project had weaknesses, lacking proactive measures to



minimize the impact of potential threats, and the project did not have robust contingency plans.¹

SUMMARY OF THE COMMITTEE’S RECOMMENDATIONS AND TIMELINES

Table 1—Summary of the Committee’s Recommendations and Timelines

Recommendation	Recommended Measure	Timeline
Recommendation 1	National Defence should provide the House of Commons Standing Committee on Public Accounts with a progress report about A) Finalizing its identification and assessment of risks that the Future Fighter Capability Project could face; B) Developing clear and specific risk mitigations; and C) Measuring the effectiveness of mitigation actions.	30 June 2026
Recommendation 2	National Defence should provide the Committee with A) a progress report outlining its immediate steps to complete all plans and schedules for the project to bring the CF-35A aircraft into service and implement them in a timely manner; and B) an annual update for the duration of the 45 th Parliament.	30 June 2026
Recommendation 3	National Defence should present the Committee with a progress report about how it will review on at least an annual basis the Future Fighter Capability Project cost estimates and adjust them as needed to have timely and accurate information for decision making.	30 June 2026
Recommendation 4	National Defence should present the Committee with a progress report about how it will include all needed elements required for achieving Full Operational Capability, when reporting publicly on the estimated cost of bringing the CF-35A aircraft into service.	30 June 2026
Recommendation 5	National Defence should present the Committee with the new cost estimate for the Future Fighter Capability Project taking into account the comments of the Auditor General of Canada.	30 June 2026

¹ Office of the Auditor General of Canada (OAG), Delivering Canada’s Future Fighter Jet Capability, Report 2 of the 2025, Reports of the Auditor General of Canada, [At a glance](#).

BACKGROUND

As part of Canada's defence policy, the federal government committed to the procurement of 88 new advanced fighter aircraft to replace the Royal Canadian Air Force's (RCAF) aging fleet of CF-18 Hornets. In December 2022, it finalized an arrangement with the United States government for the acquisition of F-35A fighter aircraft, which Canada is referring to as the "CF-35A" (as it is the "A" variant).²

National Defence manages the Future Fighter Capability Project (or FFCP; initial cost estimated at \$19 billion). The project aims "to acquire 88 fighter aircraft and associated equipment, weapons, infrastructure, information technology, training, and software support."³

The F-35 Joint Strike Fighter (JSF) program involves the development, production, and ongoing support of a stealthy, multi-role fighter aircraft. Canada is 1 of 8 partner countries and is the last partner to commit to acquiring the F-35 fighter jet. The program's Production, Sustainment and Follow-on Development Memorandum of Understanding is a framework arrangement that establishes how partners will collaborate and potentially acquire the F-35. Even prior to the decision and the announcement to acquire this aircraft, National Defence spent about \$1 billion as a JSF program participant between 1997 and 2023.⁴

However, even before the arrival of the first aircraft in Canada, a sequence of activities is needed to support the CF-35A's successful introduction into service. Specifically, prior to aircraft delivery, the JSF Program Office must confirm that associated requirements for delivery and operation have been met. Gaps may be identified, and if so, National Defence should develop and implement plans to address them.⁵

The FFCP is divided into five implementation phases with distinct milestones (see Exhibit 1) to introduce the CF-35A into Canadian service. It will replace the CF-18 Hornet aircraft currently in service, whose fleet will gradually be withdrawn from service between 2025

2 OAG, [Delivering Canada's Future Fighter Jet Capability](#), Report 2 of the 2025, Reports of the Auditor General of Canada, paras. 2.1 and 2.2.

3 Ibid., para. 2.3.

4 Ibid., para. 2.5.

5 Ibid., para. 2.7.

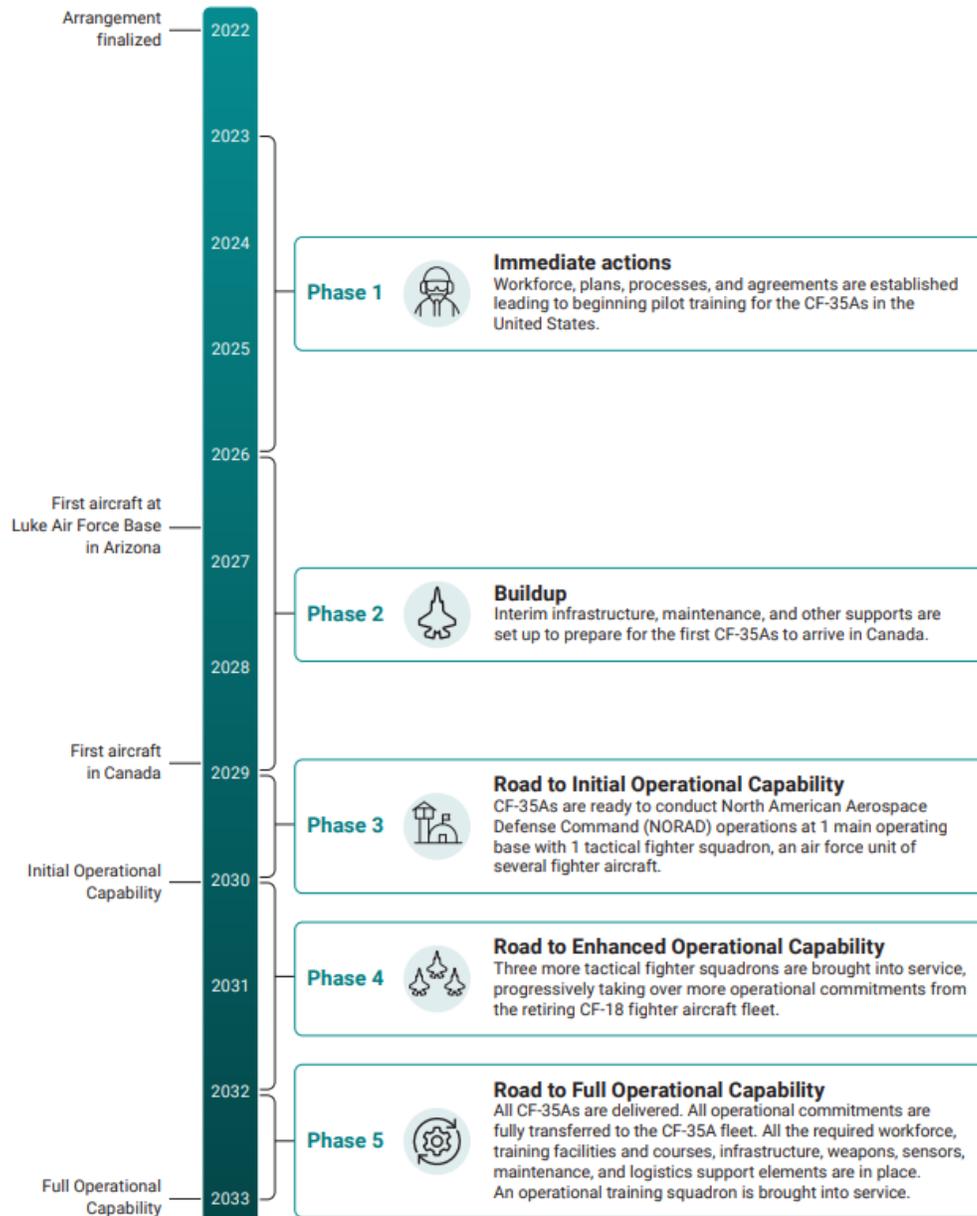


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and 2032. The RCAF operates fighter aircraft at two main operating bases: Cold Lake, Alberta, and Bagotville, Quebec, with supporting operations at other locations.⁶

6 *ibid.*, paras. 2.15 – 2.17.

Figure 1—Future Fighter Capability Project Implementation Timeline



Source: Office of the Auditor General of Canada, [Delivering Canada's Future Fighter Jet Capability](#), Report 2 of the 2025, Reports of the Auditor General of Canada, Exhibit 2.2.



Table 2—Selected Federal Roles and Responsibilities regarding Delivering Canada’s Future Fighter Jet Capability

<p>National Defence</p>	<p>Includes both the Canadian Armed Forces and the Department of National Defence (DND)</p> <p>Responsible for meeting Canada’s NORAD and North Atlantic Treaty Organization (NATO) operational commitments; manages the implementation of equipment, infrastructure, and services for the Future Fighter Capability Project and ongoing support of its aircraft</p> <p>With respect to Canada’s future fighter jets, responsible for improving the Canadian Armed Forces’ air control and air attack capability</p>
<p>Defence Construction Canada</p>	<p>Procures and manages defence infrastructure contracts; principal mandate is to meet the infrastructure, real property, and environmental needs of DND and the Canadian Armed Forces by acting as the primary contracting authority for National Defence infrastructure</p> <p>Manages contracts and provides other value-added real property services and deliverables. It contracts for design, development, and construction of the Future Fighter Capability Project-related infrastructure.</p>
<p>Public Services and Procurement Canada</p>	<p>Contracting authority for the fighter aircraft acquisition and leads the procurement processes to support the project</p> <p>Also responsible for weapon acquisitions through Foreign Military Sales program agreements with the United States government or directly from sellers</p>

Source: Table prepared by the Library of Parliament with information from Office of the Auditor General of Canada, [Delivering Canada’s Future Fighter Jet Capability](#), Report 2 of the 2025, Reports of the Auditor General of Canada, paras. 2.8–2.10.

In 2018, the Office of the Auditor General of Canada (OAG) released a performance audit entitled “[Report 3—Canada’s Fighter Force—National Defence](#),” which found that the department could not meet its new requirement for Canada’s fighter force and that it had no plan to upgrade the combat capability of the CF-18 even though it is expected to fly until 2032.

In 2025, the Office released an audit that determined whether “National Defence developed plans to introduce the CF-35A fighter aircraft into service and achieved progress on these plans so that fighter capability would be delivered on time and on budget to meet the government’s operational commitments to NORAD and NATO and to asserting Canadian sovereignty.”⁷ (This report focuses on the 2025 audit.)

7 *ibid.*, para. 2.11.

On 7 October 2025, the House of Commons Standing Committee on Public Accounts (the Committee) held a hearing on this audit, with the following in attendance:

- OAG—Karen Hogan, Auditor General of Canada, and Nicolas Swales, Principal.
- National Defence—Stefanie Beck, Deputy Minister; Lieutenant General Jamie Speiser-Blanchet, Commander, Royal Canadian Air Force; Heather Sheehy, Assistant Deputy Minister, Materiel; and Peter Hammerschmidt, Assistant Deputy Minister, Infrastructure and Environment.
- PSPC—Paula Folkes, Associate Assistant Deputy Minister, Defence and Marine Procurement Branch.⁸

FINDINGS AND RECOMMENDATIONS

Delays and Significant Risks Could Jeopardize the Timely Introduction of the CF-35A Into Service

The OAG found that construction of the fighter squadron facilities in Cold Lake and Bagotville was more than 3 years behind the original schedule.⁹ In June 2024, the JSF Program Office assessment of the interim operations plan to support the first aircraft arrival in Cold Lake in December 2028 was “RED,” meaning that significant issues remained unresolved and senior leadership action was required.¹⁰

Additionally, there was a significant risk that the CF-18 to CF-35A transition would be hindered by a shortage of qualified pilots. In its 2018 audit report, the OAG found that National Defence’s biggest obstacle to meeting operational requirements for CF-18s was a shortage of pilots. The shortage still existed during this audit, and to render the new CF-35A fleet fully operational, the RCAF will need more trained pilots.¹¹

Lastly, the OAG found National Defence’s approach to managing risks related to the FFCP was reactive—the department developed mitigation plans to minimize the impact of

8 House of Commons Standing Committee on Public Accounts, *Evidence*, 1st Session, 45th Parliament, 7 October 2025, [Meeting No. 8](#).

9 OAG, [Delivering Canada’s Future Fighter Jet Capability](#), Report 2 of the 2025, Reports of the Auditor General of Canada, para. 2.19.

10 *Ibid.*, para. 2.23.

11 *Ibid.*, para. 2.25.



risks as they occurred, rather than taking proactive measures in advance to prevent potential threats from happening or having contingency plans in place.¹²

Consequently, the OAG recommended that “National Defence should finalize its identification and assessment of risks that the [FFCP] could face, develop clear and specific risk mitigations, and measure the effectiveness of mitigation actions.”¹³

In its Detailed Action Plan, the department stated that an updated Risk Management Plan was approved in January 2025, reflecting the updated process, as well as that the Senior Review Board will be briefed on the updated risks at the planned meeting of September 2025.¹⁴

At the hearing, Stefanie Beck, Deputy Minister, Department of National Defence, provided the following:

I think the Auditor General is exactly right. The department has traditionally been very risk-averse and very controlled in decision-making and in purposeful spending. That is largely because of the constraints around the operating capabilities of the department in terms of resources. There are not enough people and there is not enough money.

This has changed. With that, it has become necessary to shift significantly how we evaluate and manage risk, and then how we mitigate what the different risks are.

...

We are going to be relying not only on our existing partners. For instance, the creation of the new Defence Investment Agency is going to help us manage that risk. It's going to help us deliver projects and programs much faster than has been the case to date.¹⁵

On the specific issue of pilot shortages, the Lt. General Jaime Speiser-Blanchet, RCAF, explained the following:

We have a number of efforts in place, because it is well known that we have been short on personnel. As was mentioned and highlighted, in the fighter force specifically there has been a shortage of pilots and a low number of technicians. We have put many initiatives in place. There's no one-size-fits-all approach that is going to fix everything. However, we are seeing progress in the numbers, and they are increasing.

12 Ibid., para. 2.29.

13 Ibid., para. 2.32.

14 National Defence, [Detailed Action Plan](#), p. 1.

15 House of Commons Standing Committee on Public Accounts, *Evidence*, 1st Session, 45th Parliament, 7 October 2025, [Meeting No. 8](#), 1720.

For example, some of the proactive enrolment of skilled pilots has taken place, and we have been able to re-attract back to the RCAF some pilots who had retired.

...

In terms of current staffing levels, since our most recent report to this committee in June, the fighter pilot staffing level has increased to 70.5% of what it was. It had last been reported at 66%, so this is a positive improvement that we must absolutely maintain.

For our maintenance personnel, we're up to 86%, which is up 1.6% from June. A lot of these efforts, in concert, are working to ensure we can not only attract new members to come through but in many cases retain the experienced members we have invested so much in, certainly in terms of a fighter capability.¹⁶

Regarding the current government's analysis of the CF-35A contract, Stefanie Beck explained the following:

Our role during the review is to provide facts. For example, we share information about the progress of the project, where we are in respect of long lead purchases and materials, the costs we anticipate, or the impacts of global change and how to mitigate them.

It is not really up to us to ascertain whether there are other options that might work. Our role is really to communicate what we know, and the government will base its decisions on that.

[...]

What we have as direction is to continue with the contract, with the MOU and with the arrangements we have in place, until we hear otherwise. We are full steam ahead: full steam ahead and focused on making sure we have the infrastructure, the pilots and the training in place for the arrival of those F-35s.¹⁷

Regarding the purchase of American aircraft and the United States' involvement in the procurement process, the Deputy Minister explained the following:

As you know, our current projects are usually several months or even years old. So it is completely standard procedure for announcements to be made after a new government comes to power. I want to mention the major decisions we have made recently, including the one about over-the-horizon radar that we have just purchased from BAE

16 *Ibid.*, 1620.

17 *Ibid.*, 1605 and 1630.



Systems Australia. This is a huge investment for Canada's future and for protecting our sovereignty.

We also have another huge project: the purchase of destroyers that will be built by the Irving shipyard in Canada. There are also submarines, which will definitely not come from the United States. So we are already pivoting toward countries other than the United States. However, that does not mean we will no longer buy anything from the Americans, because they make good products. I would add that most of what the defence industry in Canada exports goes to the United States.¹⁸

Notwithstanding the above, the Committee nevertheless recommends:

Recommendation 1

That, by 30 June 2026, National Defence should provide the House of Commons Standing Committee on Public Accounts with a progress report about A) Finalizing its identification and assessment of risks that the Future Fighter Capability Project could face; B) Developing clear and specific risk mitigations; and C) Measuring the effectiveness of mitigation actions.

Incomplete Plans and Progress Against the Plans was Slow

The OAG found that project plans to bring the CF-35A into service were not yet fully developed or implemented and progress against aspects of existing plans was slow. National Defence was developing an integrated master schedule for the CF-18 to CF-35A transition; however, at the time of the audit, it had not yet been completed and lacked sufficient detail to provide an integrated overview of the project.¹⁹

Additionally, progress against aspects of the Master Implementation Plan was slow; e.g., 47 of 246 permanent positions for mission planning, logistics, and security were supposed to be staffed by 1 September 2024, but only 14 (of the 47) had been filled.²⁰

Consequently, the OAG recommended that “National Defence should take immediate action to complete all plans and schedules for the project to bring the CF-35A aircraft into service and implement them in a timely manner.”²¹

18 Ibid., 1605.

19 OAG, [Delivering Canada's Future Fighter Jet Capability](#), Report 2 of the 2025, Reports of the Auditor General of Canada, paras. 2.33 and 2.34.

20 Ibid., para. 2.36.

21 Ibid., para. 2.37.

In its action plan, the department committed to having an updated Master Implementation Plan that includes all known and firm elements of the CF-35A transition and appropriately linked to a defined Integrated Master Schedule, and that major deviations from the “baseline” (approved) schedule will be presented at appropriate governance boards, by the end of November 2025.²²

At the hearing, in response to a question about this issue, Lt.-General Speiser-Blanchet provided the following:

In concert with the future fighter capability project and the project office, we're working together to ensure that the implementation plans are continually monitored and updated. One of the key plans in that, as mentioned by the Auditor General in the report, is the master implementation plan.

This is the overall document and entity that is guiding the Royal Canadian Air Force, in concert with our other partners and colleagues, to ensure that all of those various different pieces are in place.

One of the elements that we also have is the fighter operational implementation working group. That is a governance structure that meets regularly, and it also comprises several sub-working groups. In fact, there are 13, because they're all looking at different elements, from information systems and infrastructure to security and training. There are several. It's important that the fighter operational implementation working group maintains the cohesion that we need to make sure that things are all progressing, and being tracked and monitored, on a routine basis in order to meet the milestones that are outlined in the master implementation plan.

We review that. It is a living document, because conditions certainly change rapidly, and it is something that we're committed to continuing to refresh as often as possible. That is our guiding document to achieve what you've asked.²³

Therefore, the Committee recommends:

Recommendation 2

That, by 30 June 2026, National Defence provide the House of Commons Standing Committee on Public Accounts with A) a progress report outlining its immediate steps to complete all plans and schedules for the project to bring the CF-35A aircraft into service

22 National Defence, [Detailed Action Plan](#), p. 1.

23 House of Commons Standing Committee on Public Accounts, *Evidence*, 1st Session, 45th Parliament, 7 October 2025, [Meeting No. 8](#), 1615.



and implement them in a timely manner; and B) an annual update for the duration of the 45th Parliament.

Significant Increase of the Estimated Acquisition Costs

The OAG found that between 2022 and 2024, the FFCP cost estimates increased by 46%, or \$8.7 billion. In January 2023, the government announced that the acquisition cost was estimated at \$19.0 billion, based on a 2022 costing exercise. The OAG also reviewed National Defence's most recent updated estimates showing that the cost was now expected to be \$27.7 billion.²⁴

The OAG concluded that National Defence's 2022 estimates were based on outdated data at the time. Information used in those estimates had been gathered during the competitive process for acquiring the CF-35A dating back to 2019. However, the department was not using the annual 2022 estimates produced by the JSF Program Office that were more up to date.²⁵

In addition to cost increases which the Auditor General found were within the department's control in her testimony, the OAG also found that an important part of the increase in the department's updated cost estimates of \$27.7 billion was caused by various global factors, namely:

- rising inflation;
- fluctuations in foreign exchange rates; and
- heightened global demand for munitions.²⁶

Consequently, the OAG recommended that "National Defence should review on at least an annual basis the Future Fighter Capability Project cost estimates and adjust them as needed to have timely and accurate information for decision making."²⁷

In its action plan, the department provided the following milestones, to be completed by November 2025:

24 OAG, [Delivering Canada's Future Fighter Jet Capability](#), Report 2 of the 2025, Reports of the Auditor General of Canada, para. 2.39.

25 Ibid., para. 2.40.

26 Ibid., para. 2.42.

27 Ibid., para. 2.46.

- Assistant Deputy Minister (Materiel) will monitor the development of the F-35 Annual Cost Estimate (ACE), and report to Governance on anticipated substantial trends, as applicable.
- Assistant Deputy Minister (Finance) will update its FFCP cost model with new information as it becomes available.
- Updates to be provided to the planned [Director General] Oversight Committee.
- Updates to be presented at the planned Senior Review Board meeting.²⁸

At the hearing, Stefanie Beck stated the following:

I think that goes to the Auditor General's point about making sure we're doing regular reviews of our numbers and being clear in our conversations with PSPC and Treasury Board about what that means, and I would say not just on an annual basis—I thought the Auditor General was very generous in suggesting we do it annually—but definitely more often than that, making sure that everyone is aware every time we see a significant bump.²⁹

Paula Folkes, Associate Assistant Deputy Minister, Defence and Marine Procurement Branch, PSPC, explained that it is not until one makes a formal purchase decision that they can receive a lot of the information around infrastructure (and other highly complex requirements) that in turn would allow for greater fidelity of costing,³⁰ as well as the following:

There is one thing that I think is challenging. I don't know that any of us in this room thought that in 2025 we would have so many regional wars and also see a war in Europe. That geopolitical situation was hard to forecast. I think we do need to do a better job of that and have our costing match more for worst-case scenarios instead of reasonable scenarios, because the world is changing. Much of the cost increase and many of the changes are actually because the threat is proliferating rapidly and is changing. We have to achieve overmatch, so that we can bring our women and men, like [LGen] Speiser-Blanchet, home and continue to undertake the missions asked of us by our government.³¹

28 National Defence, [Detailed Action Plan](#), p. 1.

29 House of Commons Standing Committee on Public Accounts, *Evidence*, 1st Session, 45th Parliament, 7 October 2025, [Meeting No. 8](#), 1600.

30 *Ibid.*, 1640.

31 *Ibid.*, 1650.



Therefore, the Committee recommends:

Recommendation 3

That, by 30 June 2026, National Defence present the House of Commons Standing Committee on Public Accounts with a progress report about how it will review on at least an annual basis the Future Fighter Capability Project cost estimates and adjust them as needed to have timely and accurate information for decision making.

Additional Elements Needed to Bring the CF-35A Into Service

The OAG found that the scope of the FFCP, as it was originally defined, was not sufficient on its own to make the CF-35A fleet fully operational because there were needed elements that were not in the project's scope. As a result, the cost to achieve Full Operational Capability will be at least \$5.5 billion greater than National Defence's 2024 estimated cost of \$27.7 billion for the Project.³²

As part of the FFCP, the department conducted assessments and analysis between 2018 and 2022 to define the scope of the infrastructure needed to support future fighter capability across Canada. Although the project included plans to build two fighter squadron facilities at the two main operating bases at Cold Lake and Bagotville, the assessments and analysis revealed that much more infrastructure was required than originally thought or budgeted for under the FFCP. The department therefore "created another project, the Defence of Canada Fighter Infrastructure Project in 2022, with an estimated cost of \$7 billion. This project was initiated as part of the broader NORAD modernization initiative."³³

Lastly, the OAG noted that not all the required weapons would be purchased through the FFCP. Although "National Defence was responsible for defining the type and quantities of weapons needed for the CF-35A, under the project, it was planning to acquire only some of the weapons needed to reach Full Operational Capability in 2033–34. Missiles estimated to cost an additional \$1.5 billion were also needed to make the CF-35A fully operational over the same time frame. These were to be acquired through other advanced

32 OAG, [Delivering Canada's Future Fighter Jet Capability](#), Report 2 of the 2025, Reports of the Auditor General of Canada, para. 2.47.

33 Ibid., para. 2.48.

air weapons projects. However, some of these missiles could be used by the CF-18s during the transition.”³⁴

Consequently, the OAG recommended when, “reporting publicly on the estimated cost of bringing the CF-35A aircraft into service, National Defence should include all needed elements required for achieving Full Operational Capability.”³⁵

In its action plan, the department stated that comprehensive cost estimates for all scope elements contained within the FFCP, and associated projects (e.g., Defence of Canada Fighter Infrastructure) will be maintained in accordance with best practice and policy. National Defence will maintain transparency by providing updated cost estimates to the public through existing reporting mechanisms (Departmental Plan, House of Commons Standing Committees, Estimates Process, etc.), subject to commercial sensitivities.³⁶

Therefore, the Committee recommends:

Recommendation 4

That, by 30 June 2026, National Defence present the House of Commons Standing Committee on Public Accounts with a progress report about how it will include all needed elements required for achieving Full Operational Capability, when reporting publicly on the estimated cost of bringing the CF-35A aircraft into service.

Recommendation 5

That, by 30 June 2026, National Defence present to the House of Commons Standing Committee on Public Accounts the new cost estimate for the Future Fighter Capability Project taking into account the comments of the Auditor General of Canada.

CONCLUSION

The Committee concludes that National Defence had not yet developed all plans for the introduction of the CF-35A fighter aircraft into service. Furthermore, progress against some aspects of the plans was slow, and estimated costs had significantly increased. Consequently, there were important risks that the fighter capability project will not be delivered on time and on budget and meet the government’s operational commitments.

34 Ibid., para. 2.50.

35 Ibid., para. 2.51.

36 National Defence, [Detailed Action Plan](#), p. 2.



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In this report, the Committee makes four recommendations to help the department improve its efforts with regard to delivering Canada's future fighter force.

APPENDIX A: LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee’s [webpage for this study](#).

Organizations and Individuals	Date	Meeting
Department of National Defence Stefanie Beck, Deputy Minister Peter Hammerschmidt, Assistant Deputy Minister, Infrastructure and Environment Heather Sheehy, Assistant Deputy Minister, Materiel LGen Jamie Speiser-Blanchet, Commander Royal Canadian Air Force	2025/10/07	8
Department of Public Works and Government Services Paula Folkes, Associate Assistant Deputy Minister	2025/10/07	8
Office of the Auditor General Karen Hogan, Auditor General of Canada Nicholas Swales, Principal	2025/10/07	8

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this report.

A copy of the relevant *Minutes of Proceedings* (Meetings Nos. [8](#), [19](#) and [23](#)) is tabled.

Respectfully submitted,

John Williamson
Chair

SUPPLEMENTARY REPORT FROM THE BLOC QUÉBÉCOIS

The Office of the Auditor General published a report on June 10, 2025, entitled “Delivering Canada’s Future Fighter Jet Capability.” The House of Commons Standing Committee on Public Accounts met on October 7, 2025.

For the Bloc Québécois, in the context of relations with the United States and the questioning of this contract, it was important to add key recommendations on this subject.

As a reminder, in December 2022, an agreement initially valued at \$19 billion for the purchase of 88 F-35A fighter jets was concluded with the United States government.

A Cost-Benefit Analysis

The review of the F-35 purchase was supposed to be completed by 2025. However, at the time of writing, the government had still not made its decision on this major contract, estimated at \$27 billion according to the Auditor General's Office.

Yet, while the Carney government claimed to be evaluating its strategy, Deputy Minister of National Defence Stefanie Beck stated before the committee :

Our role during the review is to provide facts. For example, we share information about the progress of the project, where we are in respect of long lead purchases and materials, the costs we anticipate, or the impacts of global change and how to mitigate them.

It is not really up to us to ascertain whether there are other options that might work. Our role is really to communicate what we know, and the government will base its decisions on that.¹

and

What we have as direction is to continue with the contract, with the MOU and with the arrangements we have in place, until we hear otherwise. We are full steam ahead: full steam ahead and focused on making sure we have the infrastructure, the pilots and the training in place for the arrival of those F-35s.²

These statements therefore call on the government to be transparent in this matter. Given that the Swedish company SAAB offers an alternative, it is necessary for National Defence to assess, in the current political context where the United States is applying numerous tariffs on trade, a change in strategy.

¹ Comité permanent des comptes publics de la Chambre des communes, Témoignages, 1re session, 45e législature, 7 octobre 2025, Réunion no 8, 1605.

² Comité permanent des comptes publics de la Chambre des communes, Témoignages, 1re session, 45e législature, 7 octobre 2025, Réunion no 8, 1630.

Recommendation 1: That, by June 30, 2026, National Defence submit to the House of Commons Standing Committee on Public Accounts a cost-benefit analysis of maintaining or changing the CF-35A procurement strategy, a report on the alternatives considered (their advantages and disadvantages), and a recommendation regarding whether or not to proceed with the CF-35A purchase.

A Diversified Procurement Strategy

A few days before the public servants' testimony before the Standing Committee on Public Accounts on October 2, 2025, the Secretary of State for Defence Procurement, Stephen Fuhr, announced his intention to reduce Canada's dependence on the United States. However, the day before, he announced a \$1.75 billion agreement for a rocket order from the United States.

When questioned about this, Deputy Minister Stefanie Beck justified the contract by stating that negotiations were already underway. She explained :

As you know, our current projects are usually several months or even years old. So it is completely standard procedure for announcements to be made after a new government comes to power. I want to mention the major decisions we have made recently, including the one about over-the-horizon radar that we have just purchased from BAE Systems Australia. This is a huge investment for Canada's future and for protecting our sovereignty.

We also have another huge project: the purchase of destroyers that will be built by the Irving shipyard in Canada. There are also submarines, which will definitely not come from the United States. So we are already pivoting toward countries other than the United States. However, that does not mean we will no longer buy anything from the Americans, because they make good products. I would add that most of what the defence industry in Canada exports goes to the United States.³

Therefore, in this situation, it is essential that the government develop a concrete action plan to prioritize purchases from Canadian companies and reduce its dependence on American firms.

Recommendation 2: That, by June 30, 2026, National Defence present to the House of Commons Standing Committee on Public Accounts an action plan demonstrating how it will increase its purchases from Quebec or Canadian companies and reduce its dependence on American companies.

³ Comité permanent des comptes publics de la Chambre des communes, Témoignages, 1re session, 45e législature, 7 octobre 2025, Réunion no 8, 1605.