



National Defence

Défense nationale

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JUN 20 2019

The Honourable Kevin Sorenson
Chair
Standing Committee on Public Accounts
House of Commons
Ottawa, Ontario
K1A 0A6

Dear Mr. Sorenson,

Pursuant to Standing Order 109 of the House of Commons, I am pleased to present the official government response to the 60th Report of the Standing Committee on Public Accounts, entitled: *Report 3, Canada's Fighter Force – National Defence, of the 2018 Fall Reports of the Auditor General of Canada.*

Canada's fighter aircraft have a direct impact on Canada's ability to protect Canadians and Canadian sovereignty. Our fighter fleet is critical to the defence of North America and to international peace and stability as a member of both the North American Aerospace Defense Command (NORAD) and the North Atlantic Treaty Organization (NATO). The Government remains committed to ensuring that the Royal Canadian Air Force has the equipment it needs to meet Canada's domestic and international defence and security obligations.

The Department of National Defence agreed to both recommendations made by the Auditor General in his report and provided a detailed Management Action Plan to explain the measures that National Defence is taking to address the issues identified by the Auditor General.

As requested, the enclosed government response provides the Standing Committee on Public Accounts with updates on the implementation of these measures.

Canada 

I would like to thank you and the other members of the Committee for this report and for your continued commitment and service to Canadians.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Harjit Sajjan', with a stylized flourish at the end.

The Honourable Harjit Sajjan, P.C., O.M.M., C.D., M.P.

cc:

Angela Crandall

Clerk, Standing Committee on Public Accounts

GOVERNMENT RESPONSE

GOVERNMENT RESPONSE TO THE REPORT OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS, ENTITLED: *REPORT 3, CANADA'S FIGHTER FORCE – NATIONAL DEFENCE, OF THE 2018 FALL REPORTS OF THE AUDITOR GENERAL OF CANADA*

Introduction

The Government of Canada has considered the 60th Report of the Standing Committee on Public Accounts, entitled: Report 3, Canada's Fighter Force – National Defence, of the 2018 Fall Reports of the Auditor General of Canada. The Government would like to thank the members of the Committee for undertaking the study and proposing recommendations. As requested by the Committee, this government response provides progress updates on measures that National Defence is implementing to address the Committee's two recommendations.

As stated in Canada's defence policy, *Strong, Secure, Engaged*, National Defence is committed to providing the Royal Canadian Air Force with the equipment it needs to succeed in operations at home and abroad. This includes contributions to the North American Aerospace Defense Command (NORAD) and the North Atlantic Treaty Organization (NATO).

Recommendation 1 – Develop and implement recruitment and retention strategies for fighter force technicians and pilots

That, by 30 June 2019, National Defence provide the House of Commons Standing Committee on Public Accounts with a report outlining the progress made regarding recruitment and retention strategies for fighter force technicians and pilots that are designed to meet operation requirements and prepare for the transition to the replacement fleet. Additionally, that the Department provide the Committee with progress reports every year thereafter until the Future Fighter Initial Operational Capability is achieved.

The Government agrees with this recommendation.

In the report released in fall 2018, the Auditor General found that a significant portion of technician positions in CF-18 squadrons were vacant or filled by technicians not yet fully qualified. Additionally, Royal Canadian Air Force fighter pilots are leaving faster than they can be replaced. As such, the Auditor General requested that National Defence review its current recruitment and retention initiatives for fighter force technicians and pilots and that it develop and implement strategies to address these issues.

In response to the Auditor General's report, the Department of National Defence agreed with the recommendation and committed to increasing the number of fighter technicians and pilots through the development and implementation of recruitment and retention strategies. The response highlighted a number of steps already initiated to increase the number of fighter personnel, as well as broader CAF recruitment and retention initiatives which will support efforts to ensure the Royal Canadian Air Force has the CF-18 pilots and technicians that it needs. The Department's Management Action Plan identified specific actions and initiatives to deliver on

these commitments, and presented additional commitments related to training for pilots and technicians.

Progress Update

Transfer of technicians to front line squadrons: In its response to the Auditor General's report, National Defence stated that it will transfer over 200 technicians to front-line CF-18 squadrons. The Royal Canadian Air Force is currently in the process of transferring these positions to meet this commitment. The process is on track to be completed by December 2020.

Recruitment strategies: National Defence's response to the Auditor General's report highlights broader CAF recruitment initiatives. These will have follow-on effects for the Royal Canadian Air Force, as they will allow recruitment efforts to focus on aircrew and maintenance trades, where appropriate. In May 2019, the CAF launched a Strategic Outreach and Attraction Plan, a cross-country opportunity to showcase the Canadian Armed Forces and educate Canadians about opportunities within the military. This includes an emphasis on distressed and key trades, such as Air Combat Systems Officers, Air Traffic Controllers, Pilots and Airborne Electronic Systems Operators. This year, the Strategic Outreach and Attraction Plan will continue until September 2019, and will be updated on an annual basis. A new web-based tool, launched earlier this year, will complement these enhanced recruitment efforts. This online tool provides Canadians with an interactive and accessible way of obtaining a better idea of Canadian Armed Forces career opportunities. It also includes a streamlined application process, facilitating efficient recruitment. In support of these broader recruitment initiatives, the CAF created in December 2018 a Targeting Cell to assist with attracting qualified applicants for pilots.

Retention strategies: In its response to the Auditor General's report, the Department pointed to broader CAF retention efforts, as they will support retention of qualified fighter personnel. The CAF has made considerable progress in the development of its Retention Strategy. The goal of the Strategy will be to reduce and stabilize attrition by identifying barriers to sustained employment. It will be underpinned by an analysis of the reasons that motivate members to stay or leave, including those related to the realities of a career in the CAF (such as postings or deployments), personal or family considerations, as well as external factors (e.g., labour market demands). While the Management Action Plan provided by the Department stated that the Retention Strategy will be launched in August 2019, its development is taking slightly longer than expected and the launch is now targeted for September 2019. As part of this broader CAF strategy, Operation EXPERIENCE will be launched in May 2019, which aims to address the immediate need to stabilize the pilot workforce. Operation EXPERIENCE will be delivered by the Royal Canadian Air Force through a wider operation (TALENT). Both include ongoing initiatives, initiated earlier this year, to facilitate re-enrollment of former Royal Canadian Air Force aircrew, air maintainers and skilled foreign enrolment, by expediting medical and security screening. Concurrently, the Royal Canadian Air Force is revitalizing its long-term retention program, entitled the Royal Canadian Air Force Team Campaign Plan and embodied in Operation TALENT. The Plan is designed to stabilize and grow the whole Royal Canadian Air Force workforce and maintain expertise within squadrons, to deliver on commitments outlined in *Strong, Secure, Engaged*. The Plan also focuses on retaining senior personnel in squadrons to provide mentorship and training to build capacity among younger ranks.

The Royal Canadian Air Force is conducting additional retention initiatives to ensure appropriate number and experience levels of fighter personnel, and increasing workforce capacity for pilots and technicians. These include the following:

- Conducting an assessment and workshop regarding pilot retention through the Royal Canadian Air Force Innovation Hub, completed November 2018 with follow-up in April 2019;
- Establishing a four-year employment period for pilots to remain on squadron during their first flying tour, beginning summer 2019, extending the employment by one year and providing mentoring for new pilots ;
- Prioritizing postings to Operational Training Units and Force Generating Units, for both pilots and technicians, to facilitate more efficient training and experience, beginning summer 2019;
- Implementing the Reserve Fighter Employment Concept – an initiative that retains a number of regular force pilots in the Reserve Force, retaining about 10 pilots thus far;
- Maximizing the period of retention for those on medical release or below universality of service; and
- Accelerating the development of two new trades: the Air Operations Support Technicians (implementation planned for September 2019) and the Air Operations Officer (implementation planned for October 2019).

Finally, to better support retention efforts, the CAF has conducted various studies to assess why pilots and aircraft technicians have been leaving the CAF. The studies have shown that pilots and air technicians are leaving the CAF due to consideration related to personal and family quality of life, as well as issues related to quality of service (i.e. having meaningful, fulfilling work). The CAF is looking at ways to address these elements as part of its efforts to retain pilots and aircraft technicians.

Increasing the fighter force: National Defence's response to the Auditor General's report highlighted that Canada's Defence Policy, *Strong, Secure, Engaged*, includes an initiative to increase the fighter force by an additional 200 positions. The CAF has integrated the first 23 fighter personnel positions allocated under *Strong, Secure, Engaged*, as instructors at the air maintenance school.

Training efforts: In its Management Action Plan in response to the Auditor General's report, the Department committed to training initiatives to support increases in fighter personnel. To deliver on this commitment, the Royal Canadian Air Force is actively streamlining its current pilot and aircrew training systems. This will reduce wait times and the number of personnel on initial trades training, ensuring that pilots are mission-ready on an accelerated timeline. As committed to in the Management Action Plan, the Department is also looking at changing the Seneca Air Environmental Affiliated Degree Plan from Continuing Education Officer Training Plan to Regular Officer Training Plan – Civilian University, expanding access to the shorter duration program by including it in the large construct of the Regular Officer Training Plan. This proposal is still in the scoping phase, as there are still several secondary impacts that National Defence needs to better understand before moving forward.

Recommendation 2 – Analyze required upgrades for the CF-18 to be operational until 2032 and seek approval for upgrades that are appropriate and achievable

That, by 30 June 2019, National Defence provide the House of Commons Standing Committee on Public Accounts with a report outlining what progress has been made regarding: a) assessing what upgrades are required for the CF-18 to be operationally relevant until 2032; and b) finalizing which ones, if any, will be implemented. Additionally, that the Department provide the Committee with a progress report every year thereafter until 2032.

The Government agrees with this recommendation.

In the report released in fall 2018, the Auditor General found that, other than some weapons upgrades in 2011, National Defence had not significantly upgraded the CF-18 for combat since 2008. The Auditor General concluded that the CF-18's capabilities are not up to date with most modern combat aircraft and air defence systems and that the problem would get worse with time. As such, the Auditor General requested that National Defence analyze the upgrades required for CF-18 fighter aircraft to be operationally relevant until 2032 and to seek approval for those which were achievable.

The Department of National Defence agreed to the Auditor General's recommendation. The Department's response highlighted plans to seek approval on regulatory and interoperability upgrades to continue flying the CF-18 until 2032. In addition, the Department stated that the Royal Canadian Air Force is conducting an analysis of required combat system upgrades. The Management Action Plan provided further information on the timelines for these commitments.

Progress Update

As committed to in the Department's response to the Auditor General's report, the Royal Canadian Air Force is moving forward with seeking approval for a number of enhancements and upgrades to extend the life of the CF-18 fleet until transition to the permanent replacement fleet. These enhancements and upgrades are to be delivered under one project in two phases.

Phase 1: This phase will provide upgrades to address CF-18 interoperability and regulatory deficiencies to address new and changing standards. These upgrades will maintain CF-18 compliance with both evolving aviation regulatory requirements, and updated allied interoperability standards, until the permanent replacement aircraft is in place, expected in 2032. Phase 1 of the project is expected to begin in summer 2019, with upgrades completed by 2025.

Phase 2: This phase will aim to provide combat enhancements to the aircraft that are both operationally effective and technically feasible, through to 2032. The Royal Canadian Air Force's analysis is underway to confirm combat systems upgrades.

National Defence has a robust process to determine the required upgrades. This includes the work of the Fighter Capability Office, which continually assesses fleet readiness and capability. The CAF also uses multi-national training exercises, such as exercise Maple Flag, to assess the

capability of Canada's fighter fleet in comparison to Canada's allies, as well as against modern air and ground threat systems.