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Chair

Mr. John Cannis

Standing Committee on National Defence and Veterans Affairs

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● (1110)

[*English*]

The Clerk of the Committee: Honourable members, *je constate un quorum*, so we'll proceed to the election of the chair and vice-chairs.

I'll now receive motions for the chair of the committee.

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): I nominate John Cannis.

Mr. Gordon O'Connor (Carleton—Mississippi Mills, CPC): I second it.

The Clerk: Any other nominations?

The motion is that Mr. Cannis be elected chair of the committee.

(Motion agreed to)

The Clerk: We'll proceed to the election of the vice-chairs.

For the opposition vice-chair?

Mr. Dave MacKenzie (Oxford, CPC): Mr. Casson.

The Clerk: The motion is that Mr. Casson be elected vice-chair of the committee.

(Motion agreed to)

The Clerk: Next vice-chair?

[*Translation*]

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ): I propose Mr. Claude Bachand.

[*English*]

The Clerk: Are there any other nominations for the next vice-chair? No.

(Motion agreed to)

The Chair (Mr. John Cannis (Scarborough Centre, Lib.)): Colleagues, first of all, let me thank you for your vote of confidence. Let me congratulate the vice-chairs as well.

As I said some time ago, as a relatively new member compared to most of you on this committee, I must say how enjoyable it has been and I anticipate it will be as we move forward with this review that we've been asked to do, and with other areas we want to look at that are very important to our military and to our veterans.

I would like to take the opportunity, if I may, for the benefit of the members who were not able to come, for various reasons and because of budgetary constraints, to give a brief summary of our mission to Brussels and London.

First of all, I'm very proud to say that we acted as one unified team. We brought forward the issues that are important to us as representatives representing the interests and the diversity of this country—and the interests that are very broad in this country, if I may say, as well.

Second, we listened very carefully to what they're doing in Europe—the European Commission and NATO and countries such as the United Kingdom—in terms of, for example, their procurement initiatives. And we listened to the various people we met, including ambassadors from other countries, various military people, and of course, elected representatives from the House of Commons of the United Kingdom.

I will tell you proudly that we take second seat to none in terms of how we do things. I want to thank all the members who were there, who spoke on behalf of the other members, for clearly stating your position on all the issues and bringing forth your ideas, your views, your suggestions, and for the many constructive and focused questions you asked. It certainly made me, as the chair of the committee, very proud to be with you. So thank you for that.

I'm sure the staff will also get into it, but I do want to thank Joseph and Angela, who were with us, and our translator who was with us as well and did a tremendous job, for their support, because they put together a very condensed program, but at the same time they were right there. They were prompt, and they were efficient and very effective. So to Angela, to Joseph, to our translator, thank you for being there and supporting us. I don't think we would have been able to accomplish what we did without your help.

With that, I close my comments. I would like to give the opportunity to members who were on the mission with us to express any comments they have.

Rick.

Mr. Rick Casson (Lethbridge, CPC): I'd just like to reiterate what you've said. I think you've said it all. The staff who went with us were excellent. The agenda was very full, from morning to late night most days, and that's the way it should be. We learned some things, and I think when the report comes out it'll show that, particularly from the meetings with the Secretary General of NATO —you don't very often get to sit down with him—the procurement guy from the U.K., and the Royal United Services Institute, this was a really good resource that we learned a few things from.

It was a worthwhile trip, and I think what we learned there will prove to be of value to the taxpayer.

The Chair: Thank you for those comments.

Cheryl, would you like to go ahead.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): You and Rick covered it all.

The Chair: Thank you.

Gilles, s'il vous plaît.

[*Translation*]

Mr. Gilles-A. Perron: All that could be said has been said.

[*English*]

The Chair: Thank you very much.

● (1115)

Mr. Rick Casson: Mr. Chairman, before we get to the witness, I'd like to have some clarification on our trip starting October 31, to know if it's happening, if the request went in to the whips, and that type of thing.

The Chair: Yes, we had discussed this trip up north, if I'm not mistaken, and we had not reached any kind of decision. Certainly, I think we should discuss it now.

Angela, I know we were making arrangements for October 31 to November 4. There was nothing concrete, if I recall, in terms of commitments from members to attend. That was the last I remember. I had a discussion with Mr. Bagnell as well. He asked me, and that's all I could relate to him—unless there's anything new we could discuss.

Are members interested in attending? We secured the funds, as Mr. Blaikie has confirmed over and over again. Time constraints, I think, in scheduling this are causing us not to confirm it 100%.

The Clerk: We haven't yet received permission from the House to travel.

Mr. Rick Casson: Till that happens there's no sense—

The Chair: Cheryl.

Mrs. Cheryl Gallant: Prior to your becoming chairman, we had a motion that was passed concerning the issue of the Secretary of State's potential visit to Canada. At the time, she was planning to visit Canada, and the clerk was going to write and see if this committee could be put on her agenda. I'm wondering, was that indeed done, and is she going to be addressing our committee on her visit?

The Clerk: I did contact the people at Foreign Affairs and ask them to advise me in advance. I told them what the committee wanted to do and sent them a copy of the motion. Unfortunately, they didn't advise me. I found out Monday or Tuesday that she was coming. I called Foreign Affairs and they told me that basically there's no time for her to visit. She's arriving Monday and leaving Tuesday and her schedule is completely booked.

I apologize, but I did try to advise them and get them onside with us. But they didn't inform me at all until I called them, so unfortunately we're not on her agenda.

Mrs. Cheryl Gallant: Thank you.

The Chair: Larry.

Hon. Larry Bagnell (Yukon, Lib.): I'm sorry, I didn't understand the conclusion of Rick's last discussion on the northern trip.

The Chair: We have not been cleared, if I may use that word; we've not been given any direction from our party leadership in terms of the ability to travel.

I think this is important also. We're waiting for a response, but in the meantime I think it would be appropriate if we were in agreement so when the response comes we're ready, as opposed to trying to get to that decision afterwards.

Can we take a couple of minutes to discuss that trip, pending approval from the leadership? Any comments? If I recall, in our last meeting there was great interest, given what's happening to the north, to visit the north. Does anybody want to pick up on that?

Mr. Rick Casson: I believe we'd have one or two members interested in going, and certainly we could talk to our whip and make sure that when the request does come forward we're onside.

The Chair: What were the numbers we were able to accommodate, Angela, when the payment of the dollars comes in?

The Clerk: There were 10 members at the last meeting when this was discussed. Members said they would be willing to use their points to fly, and in that case we were able to accommodate 10 members.

The Chair: Bill.

Hon. Bill Blaikie (Elmwood—Transcona, NDP): Mr. Chair, I wasn't at the meeting where this decision was made, where members either were asked to or volunteered to use their points, but I just want to put it on the record that I'm against that. I have always been against that.

Committee work should not be something that shows up on the individual expense accounts of members. If we start to do this, the people who do the most committee work will be the ones who look like spendthrifts in the journalistic renderings of our travel budgets. I have no intention of using my points for committee work. If that's what has to happen, I just won't go.

● (1120)

The Chair: Larry.

Hon. Larry Bagnell: I definitely want to go, and I hope the trip can continue even if we only have a small contingent. I'm happy to use my points because I have to go there on my points anyway.

Some hon. members: Oh, oh!

The Chair: Even though we had discussed it and I believe it was voted upon—and the minutes will show that—I'll point out we came up with that idea given that there is really one taxpayer; that was the concept we applied. I know we're allocated members' travel in the travel budget.

We are masters—

Hon. Bill Blaikie: We have special sets of books.

Some hon. members: Oh, oh!

The Chair: We are masters of our own doing here, Bill, and we can revisit it at the appropriate time if you or somebody else so wishes, but if I can, I'll close on that.

There's interest. We approached it that way, by the way, because it allowed us more flexibility to take more members. If we revisit it and reverse the decision, then we'll go back to the original budget and number of people we can accommodate, which is flexible, but I sense as I close that there's still great interest in visiting the north. Am I correct in assuming that?

Some hon. members: Yes.

The Chair: I know we discussed this in Europe as well, when an article was written, and I certainly would have no hesitation in responding on behalf of the committee should they so choose. Certainly, these are different times and people are putting us as elected representatives under the microscope, and so they should. But I, for one, will say that given the schedule, the way it was so compact, and given what we accomplished, we did our country a great service to go and hear and exchange and learn, which will allow us to do our work.

On the Secretary of State issue Cheryl talked about, I agree with you. If I may, I'll suggest this, for your agreement. In the past we've had other representatives from the U.S., for example, Senator John Glenn. We also had the then head of NATO, Mr. Javier Solana, and when these distinguished people came to visit us in Canada, we not only received them as a standing committee of the House of Commons or Senate, we had a joint session of the House of Commons and the Senate, and it allowed us to accomplish a lot more. I would recommend that if that is available to us and they confirm a visit, we collectively receive such an individual as a witness before the two committees.

If you recall, colleagues, during our mission we invited, for example, Sir Peter Spencer, who is head of procurement, and I believe somebody else; I'm trying to remember who. Just as a suggestion for discussion, we could agree to invite them here to Canada as we do our study and to have a joint session, given that the Senate has done their study as well.

Mrs. Cheryl Gallant: I might point out that when this motion to invite her went forth, the way it was originally put forth was that we would send her an invitation so when she was planning a visit we could be incorporated at that time. It was a parliamentary secretary who said no, that's ridiculous; let's wait until we know she's coming to extend an invitation. We now see how the whole process was manipulated, as they didn't even let us know she was coming until her schedule was full.

The Chair: I can only apologize for the chair of the day. This is new to me. I understand what you're saying. I think you make a very valid point, that as they put their schedule together the invitations from this committee should be sent; let them plan accordingly.

I don't know what happened; I wasn't here. But if I was doing it, it would be yes, let's send an invitation out ASAP. From now on, I can assure you that will be the case, as I'm suggesting now with the witnesses should we decide to invite them from London or from NATO as well. I think General Henault was one person we mentioned who might come before our committee sometime in the future to talk about NATO.

I think that summarizes that. Are there any other issues before we go to our witness? Larry.

Hon. Larry Bagnell: I'll wait until the witness gets here, and then I'll bring up the north.

The Chair: Therefore, pursuant to Standing Order 108(2), study on review of defence policy, we're pleased to welcome our witness today, as an individual, Mr. Eric Lehre—I believe commander, retired.

I'm just trying to get your correct title, sir.

● (1125)

Mr. Eric Lehre (As an Individual): Actually, commodore.

The Chair: Commodore; I apologize, sir.

Welcome to the committee, sir. Thank you for being here. Certainly we look forward to hearing your comments. I'm sure colleagues here on the committee will look forward to asking many questions.

The floor is yours.

Mr. Eric Lehre: Thank you very much, sir, and congratulations on your appointment.

On behalf of the Centre for Foreign Policy Studies and the Canadian Defence and Foreign Affairs Institute, thank you for the opportunity.

My focus today will be on interoperability, and especially NATO interoperability, though it will also cover joint, Canada-U.S., and military-civilian interoperability.

I focus on interoperability largely because of my naval past, especially my time as Commander, Canadian Fleet Pacific. For six months after 9/11 I found myself the officer in tactical command of a six- to ten-ship task group in the Persian Gulf. That task group consisted of an ever-changing combination of Canadian, U.S., U.K., Netherlands, Spanish, Italian, French, and Greek warships that used NATO procedures to effectively halt al-Qaeda elements from escaping Afghanistan. We hailed and intercepted over 10,000 ships and boarded over 300 of them.

Each one of those ships was able to join our task group and effectively communicate, manoeuvre, and intercept shipping the instant she showed up—all because of shared NATO procedures. I also think Canada was chosen as the multinational commander because we were probably the only nation that could communicate in the old way with NATO and the new way with the U.S.

As the Fleet Commander Pacific, I also conducted exercises with the Pacific Rim navies and learned that, with few exceptions, working with those navies required months of meetings to establish the common procedures NATO ships take for granted. As interoperability leader, NATO has no competitor.

What is interoperability? The recent defence policy statement provides this definition of interoperability: “the ability of armed forces to work together effectively on operations”. Interoperability's meaning is therefore quite broad and involves more than just technical data exchange. It involves thousands of STANAGs, standing NATO agreements, that dictate NATO members use the same fuel pipes, ammunition, and engineering standards, so that all forces can access each other's stockpiles and supply ships. That's logistics interoperability.

At the next highest level, operational level interoperability involves having shared procedures for planning, intelligence, and rules of engagement. At the highest or strategic level, interoperability is largely politico-cultural. It involves, for example, NATO's institutional rules, which forge consensus while guaranteeing every nation a real vote.

The cultural element here is significant. There is indeed a unique north Atlantic culture of interoperability created by a 56-year history of sustained cooperation under often difficult conditions.

I'll turn to types of interoperability. Those examples all dealt with NATO, but the Canadian Forces are also dedicated to increased Canada-U.S. interoperability; greater joint interoperability, that is, interoperability between the Canadian navy, Canadian army, and Canadian air force; and especially after 9/11, greater interoperability between the Canadian Forces and the various federal and provincial agencies charged with anti-terrorism.

Why is it important to this committee? Well, it's a central part of the defence policy statement and is mentioned very directly 11 times. Second, some of the policy statement's interoperability goals are extremely ambitious. Third, DND will be spending some $4 billion on interoperability in command and control over the next 15 years. Fourth, there's some doubt that the announced budget increases will be adequate for this and other needs. Finally, as you've probably already been made aware, NATO's success as a multilateral institution is under challenge today.

Let's look at NATO. NATO's achievements in interoperability I consider a priceless heritage, yet it's at risk. At the tactical level, the U.S., with the U.K. and Canada in hot pursuit, have progressed from voice radio nets to net-centric warfare. The rest of the alliance has been slow to spend the money on these, and the lead nations have been unwilling to release the most secret of their nets to their use. With fewer Canadian and U.S. troops in Europe, people are ceasing to care about logistics interoperability. Then, the U.S. preference for ad hoc coalition-of-the-willing operations over NATO-led ones has ill-affected operational and a portion of strategic interoperability.

Unlike alliances, coalitions lack this culture of sustained cooperation. Instead of agreed operational rules, informal procedures dominate, and these are often directed by the single lead nation. There is no perceived requirement to establish consensus, and only the leader has a vote. While this approach speeds up decision-making, it has proven incapable of solving really hard operational decisions. During Operation Enduring Freedom, they were never able to forge consensus on rules of engagement or how to handle captured prisoners.

● (1130)

Interoperability has also suffered at the strategic level. Some argue the alliance must be more flexible in how it does things. Former Chancellor Schroeder has argued that approach has some serious costs. NATO, he says, has lost its role as a strategic actor and no longer serves as the main arena in which leaders discuss, compromise, and agree on foreign and defence issues. He adds that NATO now functions as a military toolbox from which member states draw assets for military missions. Today, he says, the alliance only supports Donald Rumsfeld's “coalitions of the willing”.

Curiously, Canada's international policy statement announced Canada's readiness to support a coalition of the willing without recognizing that it could be at the cost of NATO as a strategic actor. Let's be clear. No other forum gives Canada similar access to today's strategic security issues. Meanwhile, other pressures hazard interoperability at the same strategic level. Belgium, Luxembourg, Germany, and France are advancing a European Union defence planning headquarters in Brussels, and as I remember, that violates the earlier agreement to not duplicate or challenge NATO functions.

NATO thus has elements in both Europe and the U.S. that are weakening this north Atlantic culture. There's now talk of north Atlantic drift. Regrettably, the international policy statement does not even suggest there's a problem here. There's good news, however. The defence portion of the international policy statement keeps NATO as a central institution and announces major investments in all the key areas NATO deems important. Promised defence spending increases also hold the potential for moving Canada from its long-standing position at the bottom of the NATO defence spending as a measure of GDP scale. It calls for dramatically increased interoperability with our allies also.

Canada-U.S. interoperability. NORAD dominates Canada-U.S. interoperability, and the quality of the exchange is described as seamless. There are also extensive navy-to-navy interoperability levels and a vast web of defence links involving over 80 treaty-level defence agreements, 150 bilateral defence fora, 150 memoranda of understanding, and over 300 officer exchange positions shared between our two countries. Our military and police and intelligence agencies enjoy the same extensive links. These connections, backed up by even more critical economic links, explain the stability of our bilateral relations, with Joel Sokolsky of RMC commenting, “The United States has a stake in the security of Canada it does not have with any other NATO ally”.

Even major upsets, such as Canada's recent rejection of the U.S. national missile defence project, have not permanently damaged our military relationship, yet there are problems. We have seen how U.S. technology is causing a growing gap with the Europeans. Canada is in the middle and is trying to keep a foot in both camps despite the cost. Other disconnects are purely Canadian. The navy's high seas fleet is highly interoperable with the U.S. navy while the coastal fleet is ignored. Equally curiously, our CF-18 fighters are good enough for NORAD, but the U.S. does not consider them up to standards for overseas operations. The army has largely ignored interoperability with the U.S. after it left NATO Europe but is dramatically reversing this. Thankfully, the defence policy statement includes five separate initiatives that call for strengthening our interoperability with the U. S. military.

Now, Canadian joint interoperability. At home, data exchange and interoperability between the Canadian army, navy, and air force is worse. Over my career I've had over 30 international exercises with U.S. and Canadian navies but only worked with our army twice. Today, no command control or communication system joins the fighting levels of our military.

The 2005 defence policy statement totally changes this, and for the good. In the future, Canadian army, navy, and air force elements with their own lift will be formed into standing contingency task forces to conduct joint interoperations. Joint interoperability naturally receives a very high priority in the defence policy statement, and the current defence plan allocates some $4 billion over the next 15 years to some 33 command control and intelligence projects, some of which advance interoperability.

In the interest of time, I'm not going to talk much about military and other government department interoperability. I'll save that for the questions, but it seems relatively obvious we're very weak in this area.

Conclusion. Let me suggest that this committee start examining the whole question of interoperability, as I sense the issue needs a champion. It need not be technologically or technically focused. This committee could stick to the political and strategic issues and begin by asking DND and the Department of Foreign Affairs as to Canada's planned response to this reported north Atlantic drift. It should also examine the problems of ad hoc coalitions of the willing, and the dangers posed by the growing difference between European and American defence capabilities. It should be briefed on the extent of the interoperability gap that is developing and start asking the hard questions: Is it their failure to spend, or is it our unwillingness to open the security door? What should Canada be doing to help the situation?

● (1135)

Closer to home, the committee must start examining priorities and funding as the defence policy statement has directed that the Canadian Forces simultaneously improve their NATO interoperability, their joint interoperability, their Canada-U.S. interoperability, and their interoperability with other government departments like the RCMP, the Canadian Coast Guard, the Canada Border Services Agency, and...I need not go on.

While I mentioned that DND plans to spend some $4 billion on some 33 projects, there are further problems. Many of these 33 projects have nothing to do with interoperability; the projects are very necessary to keep pace with rapid technological change. Then there's a whole list of projects that are simply to introduce a basic capability into a single service that desperately needs it, but again interoperability is not the goal.

I've already mentioned that there's no priority established on any of these interoperability goals, whether it be NATO, Canada-U.S., joint, or other government departments. Then, the money to do all this arrives late. About 90% percent, or $11.7 billion, of the promised $12.8 billion does not arrive until 2008. Further, it's probably not enough. The departmental planning figures already suggest they're 30% short.

Here I suggest the real job of the committee is to assess priorities. Should the priority be more troops, more lift, or greater interoperability? If more interoperability, what should be first: NATO, Canada-U.S., joint, or simply departments? I can't think of a more appropriate or important task for this committee.

Thank you very much.

The Chair: Thank you very much, sir.

We'll go to our members. We'll start with Mr. O'Connor.

Mr. Gordon O'Connor: Thank you, Mr. Chairman.

I listened to your briefing. Could you give me a basic answer about why we need NATO before I start talking about interoperability? Why do we need NATO?

Mr. Eric Lehre: At the strategic level, we still receive high-level briefings there that we receive in no other forum, and we get to participate in a great part of them.

Also, I don't think there's a competitor there; actually, the scary part is that if you read the international policy statement, the Organization of American States is listed there as a key multilateral goal, and NATO is barely mentioned in the IPS. For those who are familiar with the OAS, it's moribund; there's no hope in ever breathing any more life into it; as a competitor to NATO, it doesn't exist.

The third is the interoperability issues. All our forces operate with standards; if NATO does not maintain them, no one else will. Without those standards, the abilities of our army, navy, our air force to exchange ammunition, to refuel—to basically communicate—will fall down.

Fourth, we saw the UN fail rather dramatically in Yugoslavia; only NATO's SFOR was able to stabilize this force.

My final point would be that a military operation will come up. Let's say we have the option of joining a coalition of the willing or a NATO-led operation in Afghanistan. We could join the U.S., which is operating quite separately from the NATO force there. If you operate with the U.S., you do not have a vote. The level of consultation is by no means guaranteed when events change. On the contrary, within NATO you are guaranteed a vote and automatic consultation.

I'll stop there.

● (1140)

Mr. Gordon O'Connor: Those are good arguments, but I never actually got why we need NATO.

It seems to me that every engagement we've involved ourselves in, except for some minor UN activities, has been with the U.S. You've already said in your briefings that our armed forces are trying to catch up to the U.S. in interoperability, the U.K. is doing it too, and the other NATO nations are falling behind. By the way, we keep adding NATO nations on a regular basis. I don't see why we don't put our emphasis on interoperability with United States and not worry so much about NATO. There is no threat to NATO anymore. There is literally no threat to NATO. It's an amalgam of countries that is a hangover from something that occurred 50 years ago, to deal with the Warsaw Pact.

Basically, we have the European countries and North America connected together. I guess some people see that as a good thing; I'm not saying it isn't. I'm just throwing out the premise that NATO essentially has no purpose anymore, except to be a group of countries that want to work together and maybe make STANAGs and interoperable activities. But there's no defence purpose to it anymore, so why don't we put our emphasis on the United States?

Mr. Eric Lehre: If we put our emphasis entirely on the States and walk away from NATO, options diminish. They diminish quite badly, and in areas that impact directly on the conduct of military operations.

Let's just look at Operation Enduring Freedom and Operation Iraqi Freedom, where there's no consultation and, more importantly, there is no culture of cooperation. During Operation Enduring Freedom—where I commanded—because nations didn't spend the time, or the leader did not spend the time, to bring them together, you had nations show up, but their commitment had to be questionable. They didn't work on their rules of engagements. I had ships join my formation that didn't have the same rules of engagement as my own. They had no authority to forcibly board. Some had no authority to even visit a consensual boarding. Many would not hold or detain known al-Qaeda.

You then go to Operation Iraqi Freedom. That same inability to form a consensus on what levels of force will be used has resulted in, I think, one nation that is in Operation Iraqi Freedom, but under the agreement that its forces will never go outside of garrison. Certainly we've seen the Poles complain very directly about the lack of consultation that's occurring and that is actually risking their troops.

Conversely, you have the NATO process. In some parts of the globe, and Afghanistan is the perfect example, Canada has a choice. It can join a NATO force or it can join a U.S. force. Let me assure you, I have had 36 years of excellent cooperation with the U.S. Navy. But sometimes our politicians have difficulties with that and so they decided not to join Operation Iraqi Freedom. I would certainly like Canadians to have the option of going somewhere else if the U.S. plan doesn't seem to suit our strategic interests.

Mr. Gordon O'Connor: You basically see NATO as a counterweight to the U.S. Is that right?

Mr. Eric Lehre: No, I wouldn't. It's a great option, but it would never be a counterweight. My view of NATO is with the U.S. solidly engaged in it.

● (1145)

Mr. Gordon O'Connor: I know I'm going to run out of time here.

The other thing is that the term “interoperable” is like the term “capabilities”, like mobilization; it means a whole lot of different things. You've thrown out the term “interoperable” with respect to Canada and NATO, Canada and the U.S.—inter-service cooperation. To me it's such a general term that you have to actually define each level and each relationship, because they're somewhat different. You can be interoperable, depending on what you're talking about, at the very top level, or you can be interoperable at every single level. I'm just saying that my impression from your short briefing is that you throw this term “interoperable” out at everything. I think you're actually talking about different kinds of relationships, not a single way of being interoperable.

Is that correct?

Mr. Eric Lehre: I agree with every statement you have just made, and I think that is the great problem with the DPS, the defence policy statement. It throws the term around 11 times, describing three different levels—tactical, operational, and strategic—in a matrix of Can-U.S., inter-service, NATO, or the government departments.

And you're right, you then look at the plan to spend the money on 33 projects, and I don't see any effort in what they just called for. Explain to me exactly where you're taking me with this money; or worse, are you going to get there from here with that kind of plan? The bottom line is that nobody has done what you've asked.

The Chair: For the benefit of our witness, the order of speaking is not necessarily determined, but there's a time set, sir, of seven minutes between questions and responses, and then we go into the next round, of course.

So we'll move on to our next member.

Monsieur Bachand, s'il vous plaît.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): First, I thank you for your contribution. If we were to give a title to your contribution this morning, it would be “interoperability”. Our duty as politicians is to further investigate this issue. When the policy statement was issued, the Bloc Québécois felt that Canada was leaning more towards bilateralism with the United States than towards multilateralism.

The Bloc Québécois prefers multilateralism because sovereignty should be taken into consideration when we talk about interoperability. Let me give you an example you are certainly aware of, and that is the technology that gives the Americans the possibility to fire a missile from a Canadian ship. You mentioned that earlier. I think it is called “co-operative engagement capability” in English.

You said:

[*English*]

> They see one of these missiles pop out of the sea or leave an enemy aircraft and come streaking towards the ship. They would, with their God's-eye view, be able to say, “Algonquin, we don't have the time to call you. Boop, we're firing your missile for you.”

[*Translation*]

These are important elements for interoperability. As soon as we lean too much towards the Americans and we embrace their position — that is the subject of my paper in the last edition of the *Hill Times* — we lose our sovereignty. We have to buy American military equipment because, for the Americans, interoperability means that we should buy their military equipment. We do not have our say anymore, so to speak. We lose all control, even for our defence. To me, this is more serious than having an American on an AWACS or some ship of the American navy push a button to fire a missile from a Canadian ship. I feel this is a sure loss of sovereignty.

Do you think interoperability generally involves a loss of sovereignty?

● (1150)

[*English*]

Mr. Eric Lehre: The question of interoperability affecting your sovereignty is, in fact, my doctoral thesis. That's exactly it, because you have people who say joining national missile defence, joining NATO, joining NORAD, is going to cost your sovereignty. You have other parties who say by not joining national missile defence and participating in the surveillance of our territory we're going to lose sovereignty. So who's correct? It's a question I haven't even begun to competently answer, let alone analyze, but I'll get there eventually.

As to your first question, whether the DPS is overly bilateral at the cost of the multilateral, I would suggest that the foreign policy part of the document and the overview of the international policy statement strongly favour the multilateral side. As somebody who has done this more carefully than I notes, there are some 15 pages in the overview on multilateral institutions, and four on bilateral institutions with the U.S.

Why is that? Many would suggest it's because it's politically difficult in Canada to overly stress, overly favour, the Canada-U.S. relationship for a host of reasons that perhaps go all the way to softwood lumber.

The best answer is history. Canada, for certainly the last 60 years, has recognized it cannot put all its eggs in either basket; therefore, it has to. It is committed to working closely with the U.S. and maintaining its foot in the major multilateral organizations.

The second part of your question was whether it is wise to let the Americans fire using the system called cooperative engagement capability. Certainly, when I made that example in the press some two years ago, initial developments suggested that indeed, another ship 200 miles away could look—as is currently done today—at my ship's radar picture and say “Eric is too slow responding to that threat”, and fire my missile. However, since that article was written, I have talked to my confrères in the United States—and this was confirmed by our defence acquisition people here—who said that even American commanders were unhappy with another American commander firing their missiles. Cooperative engagement capability now has zero ability for the remote firing of your ship's weapons by somebody else.

So they fixed that problem.

[*Translation*]

Mr. Claude Bachand: Is it something new for you to hear that, as far as interoperability goes in North America, especially in military equipment, we are almost bound to buy American equipment?

There are really two blocks. We can see what the European security and defence policy of the EU does for procurement. It means that most contracts should go to European companies. Anyway, I have a hard time imagining the Americans buying European equipment. When Europe and the US talk about interoperability, it goes beyond tactics and strategy.

Essentially, is this not a big economic war where, when you are in North America, interoperability means buying American equipment, and, when you are in Europe, it means buying European equipment? Is this not also part of the interoperability concept?

● (1155)

[*English*]

Mr. Eric Lehre: There is absolutely no question that has been a huge component of interoperability battles historically within NATO, and it's still going on. On the bad side, nations in NATO have always recognized that the U.S. will use its technological lead. It somehow is always the next generation ahead of you in communications. America will fit it into their military and basically suggest to NATO that everybody agree to this as the new international standard, realizing that American firms will have a major advantage in that particular area.

That has been hotly contested. In the past, it was always the United Kingdom that said to the U.S., not only will you benefit from increased military sales from NATO members, you will stymie our own industry's ability to keep pace. Britain often would put up a competing data link to the American data link. Canada has always been, primarily through the efforts of our defence researchers, not developing these, but we've always been a smart customer and have picked whichever one best suits us.

On the good side—and I have to watch that I don't get my American friends in trouble—on cooperative engagement capability, six and seven years ago I was in charge of navy tactical development, and good times with the Americans end up with things like this happening. Almost eight years ago, I was first looking at cooperative engagement capability, and my American friend said, "Eric, we're in the process of throwing hundreds of millions of dollars at this problem of cooperative engagement capability until the problem goes away. We'll call you when it's time to invest". He specifically warned me by that to not get involved with this until it's more mature and more reasonably priced.

So as the bottom line to your question on whether using NATO standards to help your industry does occur, it absolutely does.

The Chair: We'll go to Mr. Bagnell.

Hon. Larry Bagnell: Thank you very much for coming. I have a couple of comments and a bunch of questions.

First of all, as far as NATO's purpose is concerned, Canada is going to achieve its objectives. If whatever organizations can't do it, we'll move on to other ones. If NATO is useful, then it will survive. If we can't get something through the UN, we'll do it bilaterally, through NATO, through the OAS, or through the G-20. We're going to protect people in the world and do peacekeeping one way or another, so we're not tied to a particular organization.

I think $4 billion is more of a mindset. We can't use all our military money just on interoperability, but as new things come, we'll do it.

On not having a vote with the U.S., I think it depends on how we define our arrangement with them. With NORAD, we were in charge of command on the day of September 11.

My first question is related more to what Mr. Bachand was talking about on procurement. Our committee is going to be doing a big study on procurement as part of our present study. I'm wondering what your comments are on the present procurement process, and if equipment specifications deals with interoperability sufficiently.

Mr. Eric Lehre: There are three issues in procurement and interoperability, and I'll use perhaps naval and air force examples.

The navy has always had interoperability with the U.S. navy as its highest goal, and NATO its second goal. We've never said that officially, but that's what we do. With our some 100 naval exchange officers in the United States, we're kept abreast of all the changes and we're warned of all the failures, and we never design a purely Canadian solution to the problem, especially if we can buy an American one. Or if the English or the French have an equal system, we're a smart customer; we can buy that. We don't spend much money. Oddly enough, it is generally acknowledged that the navy is in the lead in interoperability issues.

The army, since it has left Europe, has not had, given its many successive peacekeeping operations, a high interoperability standard to meet. You could be working next door to a Pakistani infantry battalion with the basic radio or U.S. special forces with satellite capability. It was never able to establish a standard, and this gave it the luxury of buying a system such as the technical command and control system, which was French-built, only allowed our army to be interoperable with the French, and today does not allow interoperability with NATO, or the U.S., or the Canadian navy. It also cost $1.9 billion, and if you look at the current capital plan, there appears to be another $1 billion being spent to fix it and make it interoperable.

The third thing is that as I look through the spending plans—and this is the real problem with interoperability—I do not see the department imposing discipline on the individual services to a sufficient level. Why do I say that? I see there will be a new Canadian Forces command and control system. There's also an air force command and control system, and there's the land forces information system. You say to yourself, why do we need all three? Well, there probably is sound reasoning, but as I'm looking back at it, as probably you as a committee might look at it, I would want answers to these questions. Okay, where's the navy's command and control system? If the air force needs one and the army needs one, and there's a Canadian Forces one, how come the navy got away without having one? These are major questions.

Going back to my talk on how we're going to achieve interoperability at three levels with four different organizations with technology that's changing every six months, I would want to see a coherent plan before I gave anybody $4 billion, and I don't see that.

● (1200)

Hon. Larry Bagnell: Secondly, you were commenting on Afghanistan. It sounded like a very comprehensive net. So I have two things you might comment on. One is interoperability and our unfortunate loss of soldiers at Kandahar; and the second one is, if our net was so comprehensive, how come so much of al-Qaeda escaped?

Mr. Eric Lehre: Our net wasn't comprehensive. The body of water I was running—the Gulf of Oman, the Strait of Hormuz, the southern Persian Gulf—was very comprehensive. Were there alternate routes? Yes. From Afghanistan, to Pakistan, and direct to Somalia was a route I could not cover. But anything crossing my area I probably did cover. American data suggests hundreds waiting to cross in any particular month and not being able to. Certainly we had our success in also capturing four in that area.

On the incidents in Afghanistan, I am aware that naval ships operate systems because they're large, $500-million frigates with identification, friend or foe, that send out electronic signals to everybody in the area on the net saying, “Don't shoot at me, I'm friendly”. You see this little electronic tag that follows the ship around on a radar screen.

I know the army is developing the same system, but again it's part of that whole interoperability spending piece. If the Canadian army develops a system, who's going to be able to read it? Is it going to be a NATO system, or is it going to be a Canada-U.S. system? It's also a huge technological leap in the introduction of a basic capability that's going to cost money.

● (1205)

The Chair: Mr. Casson.

Mr. Rick Casson: Thank you, Mr. Chairman.

Thank you, sir, for being here.

We were just recently in Brussels and had meetings with NATO. One of the things you mentioned was that as part of NATO we have access to certain things: intelligence, and discussions regarding military issues. There was an indication that if we were going to have much access to that type of information or be part of the major decision-making process we needed to have some teeth in our bite; we needed to be able to offer something on the ground—military equipment, forces, and that type of thing.

Do you agree that maybe even with the Canada-U.S. relationship, if we're going to have any kind of major influence or be part of the decision-making at a high level, we have to be able to back it up with actual action?

Mr. Eric Lehre: There is no question of that requirement, and the context might be slightly different in NATO than in the Canada-U.S. one. I was a previous director of NATO policy, and my staff prepared our minister's briefing book and attended and served him in the defence ministerial conferences. There was just no question that if you were a minor military contributor—and we were good at recognizing it—you didn't have much to say, and neither did the other small contributors. Major directional changes in where NATO was going were dominated by those with large militaries. That's the defence side.

Certainly when our troops were directly involved, as they were in Bosnia, we had a strong voice. Quite candidly, we halted or caused significant redirections of NATO plans in the area because we had a strong capability in that particular section. Even in the larger questions, the nuclear questions of NATO, Canada had a strong voice. But to have a strong voice on all the major issues you have to have a capability.

Canada-U.S. is slightly different. In the past we were able to do a significant amount of free riding because the United States needed our geography. It was nice that we cooperated, and it was handy that we contributed a bit financially to NORAD, because they would largely manage the response of defending North America. But things have changed in North American defence. America today will be highly intolerant of any shortcoming in a Canadian defence effort that allows a terrorist to use Canada as a way of attacking the United States. There will be zero tolerance for Canadian weaknesses in the North American defence effort.

Mr. Rick Casson: We heard a lot here in Canada and around Europe about transformation; everybody is talking about it because of the different kinds of threats. Gordon alluded to NATO having been developed years ago for a certain purpose, and this purpose has diminished to some degree; whether or not it's disappeared is an item of debate over there.

There is now the whole issue of the European Union starting their parallel defence or military capability; they're going into different countries and are doing different things. I personally see this as just a way for these countries to operate without the United States being involved and without having to ask for U.S. permission or have the U.S. have its say.

I'd just like your comment on that. How dangerous is what the European Union is doing for the stability or value of NATO? Is it eventually going to replace NATO if it continues?

Mr. Eric Lehre: I try to look at the European response in terms of probably three different groups of Europeans—often national groupings.

I don't doubt for a single minute that France uses the European separate defence identity, including very recently, as a specific plan to ruin the U.S.'s day. I think there is a middle ground of Europeans who have a more modest view, and they logically ask themselves if Europe at some time—and they've been very poor at coming up with an example of this—will want to take military action separately from the U.S. And boy, you have to really do some head scratching to come up with one of those, but perhaps with the recent U.S. administration it will come sooner rather than later, because they're not consulting very well.

You then have the third tranche of Europeans—the U.K. and the newcomers to the EU. It was said very famously, I believe by the Prime Minister of the Czech Republic, in response to French bullying, that hey, we know how valuable it is to rely on a French security guarantee given World War II, and we're putting all our eggs in the NATO basket because we can ultimately trust the transatlantic link—primarily U.S. power—to back up Europe when it gets into trouble. I still think the vast majority of European states value NATO as a realistic and capable security organization, and much of the EU as a process in development.

● (1210)

Mr. Rick Casson: We did hear that, too, that for some of the newer countries, and even for some of the older ones, the reason for wanting to be part of NATO was the involvement of the U.S., or the U.S. umbrella. I think you're right that there seems to be.... It's not geographical, but it is to some extent for some of the eastern countries, who are still a little concerned about their eastern neighbour, and they still want to have some capability to deal with something there if it happens.

I appreciate your comments.

The Chair: Thank you, Mr. Casson.

We'll go to Mr. Khan.

Mr. Wajid Khan (Mississauga—Streetsville, Lib.): Thank you, Mr. Chair.

Welcome, Commodore.

I'd like to make a brief comment on the porousness of the borders. There's never going to be a net that will be 100%. In Kashmir there are 700,000 Indian troops and yet there are still people going back and forth. On the Pakistan and Afghanistan border, there were 73,000 troops deployed at 651 posts, and yet over 400 Pakistani soldiers have been crippled and maimed and over 300 killed, and people still come through, because the terrain is very difficult.

However, getting back to interoperability, given the relative scarcity of large-scale exercises for the Canadian Forces, how has our ability to act with our NATO allies been affected?

Mr. Eric Lehre: The University of Montreal has started doing a study on this—and it's positively scary—where they track electronically, using the number of contacts the Canadian military has in Europe, paced over time. Of course, since we withdrew, it's been in a free-fall.

More importantly, it's now showing that the new Europeans coming into NATO are dramatically improving their contact rates, not surprisingly. Canada is starting to slip down into the same comparison rate as Lithuania. That's pretty shocking. At one time, Canada had the second largest air force in Europe, a fully capable and probably the best army division in Europe, and a fleet of some 40 vessels committed to that.

If you go to some of the excellent discussion forums in Canada... let me recommend Army.ca as a top-notch weblog forum. There are increasing questions throughout the Canadian Forces on why we need NATO. Let me tell you this. That question would never have been asked 10 years ago. My own personal view, obviously, is that we desperately need NATO. But if a person isn't going to Europe and participating in exercises, he or she starts to ask the question, why should I bother? More important is the question, why should we spend the money on NATO interoperability when we could instead have more ships, or airplanes, or troops?

It's a leadership factor. I think that a lot of the leadership is going to have to come from the political arena.

● (1215)

Mr. Wajid Khan: I want to come back to the naval side.

Several of our key allies maintain the ability to carry out an EMF, embark military force, i.e., the HMS *Ocean* is serving the Royal Navy and providing amphibious assault capabilities, limited anti-submarine warfare, a capability for anti-terrorism, and so on. What is the validity of acquiring similar platforms, with the current strain on CF deployment?

Mr. Eric Lehre: The defence policy statement, I and several other ex-military and military academics believe, is superb in that area. Calling for joint standing contingency task forces that are sealifted and airlifted rapidly to theatre answers every one of the major problems that I've come up with in coalitions of the willing. It is an absolutely essential capability. Just look at our past. We were not able to get our army into Afghanistan initially for three months as we waited for other people to give us a lift. How can your response to 9/11 have to wait for somebody else's vehicle delivery of your own formations?

More importantly, if we were to send a package of army, navy, and air force units into theatre all interlinked on the same nets and commanded by a Canadian, we would start to get multiple benefits. First, they are one package. In a coalition of the willing situation in which people haven't spent the time to come up with standard rules of engagement, to come up with standard treatment of prisoners of war, they're better able to make sure Canada follows the rules precisely. Secondly, they are sufficiently cohesive that they can start to demand appropriate command responsibilities within the coalition, because if the nation doesn't have a vote, we as a coalition commander will be able to shape the direction of the leadership.

Thirdly, it allows you...I think this is what the British do in Iraq. They say they're going in with a British joint package because it allows them to demand their own operational area. Why would that be? Well, I think from the first Gulf War, they had fratricide problems. Where their forces were intermingled with other forces, several of them were attacked from the air. Now they say this British force will operate in its own area and will not have to run the risk of less technologically adept nations firing stuff at them without checking that they're the right people.

Another reason for that joint package going in together with its own lift is that when things go wrong, you can reinforce it. When things go really wrong, you can withdraw it. And the sideline benefit of also operating in your own area is that you can actually do things like the 3D—diplomacy, development, and defence.

When I went to visit Yugoslavia, I was always amazed that we would have our army in the southwest sector, we'd have the RCMP in Sarajevo and other points, and Canadian election advisers spread all over Yugoslavia, yet somehow the Germans were able to keep everything in their own sector. It seems to me that with this new approach in the DPS and our own sector, we'll be able to have a concentrated Canadian footprint covering development, covering defence in one area, and also improving our force protection.

I think it's a great response.

The Vice-Chair (Mr. Rick Casson): Thank you.

Mr. Perron.

● (1220)

[*Translation*]

Mr. Gilles-A. Perron: Good afternoon, sir.

Interoperability is a difficult word to pronounce. But I think I can give it another meaning. It is high tech gadgets. If I got it right, it is a way to make sure we can communicate easily and use any kind of ammunition with any type of firearm, where ever it comes from.

But what can we do when our enemies do not have an army and do not have uniforms because they are terrorists? What is the use of interoperability when we have to fight terrorism?

[*English*]

Mr. Eric Lehre: I will use a domestic scenario to answer that question. Currently, when Canada watches its coast, there are the Canadian navy, the Canadian Coast Guard, the Canadian Border Services Agency, the Canadian Security Intelligence Service, Environment Canada, and the Department of Fisheries and Oceans. All are watching the water, and all will have some piece of information on a ship entering Canadian waters. If perhaps that ship is carrying terrorists, or terrorist contraband, or the dirty bomb that people commonly allude to, the information about that vessel that is held by each person is very badly exchanged. Often it doesn't occur at all. Things are improving as we speak.

National security policy, backed up by the defence policy statement, has ordered the navy—with, oddly enough, money not from DND but from public security and anti-terrorist funding—to create, using $85 million, three maritime security operation centres where each of those departments I named will have people sitting in the same room, watching the Atlantic and the Pacific, and the RCMP will run around watching the Great Lakes.

What will happen is that a ship entering Canada must report to Canada Customs the day it leaves its port in Europe, giving all the details of the ship—its tonnage, its navigation equipment, its cargo, its crew list, and a pack of other data. That will go into the Maritime Security Operations Centre, and a flag will appear outside Hamburg, that *Kung Fu Maru* is due in Canada in two weeks.

Then, 48 hours prior to that ship hitting the 200-mile limit off Canada, it must send a report to Environment Canada saying its bilges are clean and there's no possibility of it spilling oil. That data will now move the little flag off Hamburg to about a couple a hundred miles off our 200-mile EEZ.

If CSIS, which is being fed the crew list, gets information about this vessel and says, boy, we've heard about this particular individual, it will change the flag on that vessel from green to red and say, we really are interested in meeting the ship when it comes alongside.

Finally, when it gets in the 200-mile EEZ, it must report to the vessel traffic management system of Canada, run by the coast guard, saying, not only am I coming to Canada, but I am precisely right here and my course is north at speed 15, and we can track it to about a one-mile accuracy.

That will all be happening in one room where all six agencies are watching us. Up until this point, all we could do is hope that somebody told us the *Kung Fu Maru* was leaving Hamburg and it had that list, and you kind of by magic expected CSIS to have informed everybody that it had concern about that master. Now it will all be done automatically; it will be done by electronic systems that don't wait for somebody to wake up and say, gosh, maybe I should tell the navy about that ship. It will all be done electronically and it will appear on the chart.

Is that a good example?

● (1225)

[*Translation*]

Mr. Gilles-A. Perron: This is good example, but is it science fiction? When will we have this kind of operation?

[*English*]

Mr. Eric Lehre: I know the NATO parliamentarians visited the Maritime Security Operations Centre in Halifax three weeks ago, and 80% of what I just described is actually happening today.

[*Translation*]

Mr. Gilles-A. Perron: What about the far north frontier? How do we protect this area? There are not submarines that navigate under the ice shield.

[*English*]

Mr. Eric Lehre: I won't attempt to say, other than that our surveillance of the north and our ability to respond to a problem there is a disgrace. There is nothing useful happening there at all. Vessels report in that they're.... No, in our north, the law even allows a vessel to voluntarily tell us it's in the Canadian north.

You know the Aurora is only able to fly up there perhaps—that's classified—infrequently. It's not happening daily, let me assure you of that.

If something happened up there, with our lack of airlift and our naval fleet not being able to move in deep ice, you'd be relying on the one or two coast guard icebreakers we have, if the ice was still relatively light. We have huge problems in the north.

[*Translation*]

Mr. Gilles-A. Perron: To conclude, Mr. Chair, I would like to express my personal feeling, for what it is worth.

I just came back from Brussels and London, and maybe it is kind of irrational, but I felt some competition or rivalry between NATO and the United Nations. That is quite worrisome and I am wondering. In your international discussions in the United States and elsewhere, do you feel this rivalry between both organizations?

[*English*]

Mr. Eric Lehre: You have every right to be *inquiet* over this particular problem. I don't blame it all on the Bush administration, which rejected NATO's offer of help at 9/11. The U.S. was almost rude in saying it was going into Afghanistan and they didn't want NATO to even participate initially. But this was also happening on Clinton's watch. The Kosovo air battle was a very distasteful moment for the U.S. administration, as countries with absolutely no military capability were vetoing air strikes by the nations that had it. People predicted in the States at that time that it would be the last war the U.S. would fight under NATO rules.

Well, now, in Iraq, you've seen the U.S.'s current way of war, and my personal view is that it's not much better. One might have been slow and have had too many vetoes, while another has only one voice, and the results aren't much better. The bottom line is that it's still hugely problematic in NATO. There is rivalry.

The Chair: We have to go on to our next member.

Mr. Bagnell.

Hon. Larry Bagnell: Thank you.

Thank you for doing the north for me.

I just have a couple of questions.

On the interoperability of the navy and the coast guard, is that being fixed sufficiently?

● (1230)

Mr. Eric Lehre: It is not being fixed sufficiently. It is so easily fixed, and yet that nothing is done about it is cause for concern. Today, while there is great coordination going on at the Maritime Security Operations Centre, the fact that the ship is now 200 miles off the Canadian coast will appear within one second on every naval ship's radar screen with a small tag that turns it from green to red, just as I've described. If you go to the ship, you will be able to find out its name, course, speed, and all that data. None of this will be occurring on the coast guard ship at all. All we can hope for is that they will do it by using an international satellite system and talk about it in the clear, i.e. not enciphered. If they encipher it, they will be using a fax machine with a little picture of the north Atlantic with a little *x* on it, while the naval ship is getting it every second.

My own personal opinion is that this is easily fixed. In the past, the navy, for example, created a private Internet that joined all the government departments. It was unclassified, it was ad hoc, and we did it out of our operating budget. It wasn't even a capital project. We just told everybody, here's where you dial in your computer and you can get the picture. But it had none of the classified details.

We now have a secret system that we're ready to give to the coast guard, except we are probably short about $20 million for the laptops that would send this superb picture to them and about $20 million for the satellite communications pipe that will get the data to them. We've spent $7 billion under the national counter-terrorism plan, and we didn't fix that one obvious, easily fixed hole that would allow both the government fleets to effectively respond to threats off the coast.

Hon. Larry Bagnell: Mr. Bachand was talking about procurement related to the U.S. and Europe. Does the metric system cause any effect on that, the fact that the U.S. is not on the metric system?

Mr. Eric Lehre: It has caused no effect. The answer was not simply that in a lot of the systems the U.S. dominated and imposed the English standard. In fact, we use the international maritime standard where a mile doesn't have *x* metres or kilometres. We use the international maritime statute mile. So no problem.

The second problem is that if it hasn't caused a problem on the Internet—-

Hon. Larry Bagnell: I was thinking of procurement on mechanical pieces, of equipment sizes.

Mr. Eric Lehre: No, I think NATO has long figured out the solution to that by basically dual listing everything. It has not been a problem.

The thing that is so easily done in a lot of these procurement interoperability issues is—and if anybody briefs you in future on this—you must never design a military system in the electronic age; you must use what is currently used on the Web. All of the systems that are currently in use at sea at the highest level are all Web-based systems. You'd have to say why, because you can go out and buy a computer to run it that costs $700. If you design a military computer, you can't get away with less than $20,000. Worse, by the time it's delivered it will be three generations astern of station.

Hon. Larry Bagnell: My understanding is that on September 11 the Americans probably had enough information to perhaps prevent it or take some action, but it was all in different locations and different stovepipes—you mentioned stovepipes before—with a lack of interoperability between agencies. Can you comment on that in both Canada and the United States?

● (1235)

Mr. Eric Lehre: I received a briefing by somebody who uses precisely that analogy in conjunction with the one I just mentioned, about the ship outside of Hamburg. Indeed, we now discover in the United States that one FBI office was informed that a flight school was training people who weren't interested in landing the airplane. They said, don't give me that lesson; I don't need it. This got to the FBI, but it was never entered into the database that said, we have 19 people, 18 of them from Saudi Arabia, and good God, they're all in towns with flight training centres! Somebody didn't join the dots, and they're saying that people will never join the dots. It's got to be done electronically, and you've got to have flags that appear when electronic coincidence occurs—i.e., flight school, Saudi Arabia, flag, and they just arrived yesterday.

Hon. Larry Bagnell: Thank you, Mr. Chair.

The Chair: Before we go on, I want to ask a question.

Sir, you said it's got to be done electronically. I think what we learned from post-9/11 from all our studies is that a lot of these departments you're referring to have failed miserably to share information. I think you'd agree with that. It's been publicly known. But if it's got to be done electronically, it gives us back what we put in. So no matter what happens, unless electronically we humans access it, dictate to it, guide it, and tell it what to do, it can't be done.

I'll go to the next person, who is Mr. Khan.

Mr. Wajid Khan: Thank you, Mr. Chair.

I think there are five minutes left in this round, so I'll throw a couple of questions at you at once. You can pick and choose which ones you prefer to answer.

How would you react to suggestions that the Canadian defence policy statement is essentially a pro-army document?

My second question is on the fact that *Leadmark* 2001, soon to be updated under the title *Securing Canada's Ocean Frontiers*, identifies the importance of littoral operations. Can you comment on the problems of bridging the capability gap between the present and the projected date of service entry for General Hillier's BHS, “big honking ship”, and JSS, joint support ship? Do Canadian shipyards have the capability of laying down keel for ships the size envisaged with the JSS project or for BHS, unless we're going to be smart buyers?

Mr. Eric Lehre: A group of retired army, navy, and air force officers, called Project Seahorse, raised the vision that General Hillier outlined for a standing contingency task force of a battalion of soldiers in an amphibious ship, supported by embarked aircraft, while waiting off a theatre until the final government decision to go in was announced. I supported that group. I don't call it an army-only document. I think there has been sufficient support outside the service—but really army, navy, and air force support—for this plan.

When will we see the big honking ship or the joint support ship? We are frequently guilty of gilding the lily in the navy. In this particular case, the ship is a container. It's a container for either the navy's fuel or the army's equipment, and providing far too much command and control or specially built features to allow the navy to fuel four ships at once is not required. Therefore, if we stick to basic commercial patterns, we should be able to order a ship from a foreign yard and have delivery in two to three years, given that Canada has long since given up its design capability. If you want it in Canada, it will take five or six years, if you keep to entirely satisfactory commercial standards and don't mil-spec this ship to death.

● (1240)

The Chair: Mr. Khan, you have another two minutes.

Mr. Wajid Khan: Okay. I'll go back to our NATO situation.

Our contributions to NATO have been inconsistent at best. How relevant is Canada's contribution, given the evolving role of NATO? Should we be emphasizing bilateral interoperability with the U.S.?

Mr. Eric Lehre: I mentioned that I was director of NATO policy, and this is a good war story.

This is one of the great values of NATO. Your country chapter is presented in front of all 14 other NATO nations every year. They see that Canada stands to spend only $900 million next year on capital equipment, and it's forgotten. Obviously, it's promised to NATO to improve lift and improve interoperability. Every year my boss, ADM of policy, would go for his annual savaging by NATO, where all the other nations would vigorously critique the Canadian chapter.

This was in 1996. I went there, and it was sweetness and light. My boss couldn't go, so he threw me in to defend the Canadian country chapter. People were absolutely enraptured with Canada and everything we were doing, and it soon became obvious why. Here was NATO in transition. They saw a German army of 300,000, multiple armoured divisions in Germany, and Russia had left. They had no lift to take any of this army anywhere in the world.

Yet Canada had a battalion in Haiti and had the biggest contribution in Bosnia under UNPROFOR, at the time; it was going to SFOR. We had a significant number of observers in areas of the Middle East, which, oddly enough, were all crossed out on the NATO strategic maps. These areas on the periphery were now of critical concern, not the western front. In addition, our fleet was relatively modern, and at the time, with 33 Hercules, we had the fourth largest airlift fleet in the world. The rest of the Europeans didn't need airlift because the war was in their backyards. All of a sudden, Canada became very valued as a member.

I'll tell you this. On the current plan, if we follow up the defence policy statement with actual dollars and are able to send joint standing contingency task forces anywhere in the world, as is advertised, we will probably be one of five or six NATO countries that are capable of sending that kind of force out. The rest will simply not get there.

[*Translation*]

The Chair: Mr. Perron's turn.

Mr. Gilles-A. Perron: I would very like to ask a grandfather's question.

You have been talking about interoperability, but always in the context of war, defence, attacks and counterattacks. But will this program or philosophy apply some day to humanitarian assistance?

The example I will give you made me angry. Last Saturday, when we arrived in Brussels, we heard about the earthquake in Pakistan. On Wednesday, NATO and the UN still had not made a decision as to what should be done to help these unfortunate people. No decision at all.

Is interoperability not supposed to improve communications and allow for quicker decision making?

[*English*]

Mr. Eric Lehre: There is no question that this transfer of military skills to humanitarian assistance in operations should be occurring. We saw with the tsunami crisis that the most critical asset was helicopters. We're seeing precisely the same thing in Pakistan. Quite candidly, it's probably nightmarish. Would you want to be flying a helicopter into Pakistan where the air traffic control is probably questionable; where the weather services advising you of upcoming storms, low clouds, and mountains are probably non-existent; when God knows what they're going to be putting into your helicopter by way of fuel; and the crews are being worked to death, since crew rest cycles are disastrous? This calls for every part of the standard military planning and support system, yet it's not being applied.

Why not? Good question. There are certainly delays. On the Canadian DART response to the tsunami, the press was extremely critical of the fact that again it took Canada a week to get DART out of town. If you read between the lines, it's also clear that the military was ready to go two days after, but meetings at Foreign Affairs and CIDA added four days to the decision because we wanted to go *en groupe* or *coordonnés*.

The next problem is that the military is good at its tasks, and probably isn't bad at delivering humanitarian packages in a crisis, but is it better than an NGO like Médecins Sans Frontières or la Croix-Rouge? It probably isn't. If you say to them, okay, the military will take charge of Médecins Sans Frontières and la Croix-Rouge, they say, over our dead bodies; we're not even going to show up at your meeting. Why? Because their neutrality becomes instantly suspect once they start coordinating their actions with the military. There are further problems.

So what do Médecins Sans Frontières and the various NGOs do? At times they do horrible things from a security point of view. They hire technicals in Somalia to guard them, which of course does nothing else but encourage technicals to hold every aid agency for ransom: i.e., hire me and I'll protect you from my brother—hire me and I'll protect you from my subcontractor, probably.

So at the end of the day it's the political group that has to say to CIDA, DFAIT, and DND, we're tired of your excuses; Canada will do this in a coordinated fashion, end of story. That means the military is going to have to give, and the NGOs are going to have to give, if they want federal dollars.

● (1245)

The Chair: Seeing that there are no other members who wish to ask questions, permit me to add something as we close.

Mr. Lehre, you said a lot of things, and I will tell you that I'm even more confused or upset today, having heard what we heard in Europe as well, and with what we know is going on. Permit me to just outline a few things.

You've said, and I quote, “the budget is not enough”, “NATO is challenged today”, “NATO acts a military toolbox”, and “need more funds”. Let me just start off with NATO as a military toolbox. I think you're referring to common effort, common contribution, being able to draw from those resources as we engage in this new era of NATO responsibility. Is that what you're driving at?

Mr. Eric Lehre: I may have misled you.

There are two visions of NATO. I certainly do not support the vision of NATO as a toolbox. The other vision is NATO as a strategic actor, its traditional role. That's the one I support.

The Chair: Let's use that.

One of my colleagues—I think it was Mr. Casson—indicated earlier how NATO is expanding, with new members and what have you. Certainly we made the point very clearly when we were abroad, and with others we talked to, that we have a responsibility to the men and women in our forces—both the reserves and the regulars—to make sure they have the proper equipment to do the work they're being asked to do.

On the other hand, several other nations that are part of this family of NATO, as we are, have come on board. I personally have always felt that how we play with the numbers is very distasteful—sometimes we use a percentage; sometimes we use an actual dollar. I think you'll agree that when we look at some of these nations, there's quite a difference in terms of what they've put in and what we've put in. We were also being criticized because we were only using such a percent, yet those nations get as much out of this NATO initiative as we do, or as anybody else does. Don't you agree? That's one thing I'd like you to comment on.

In term of technology, as we undergo this study and embark on procurement, Mr. Casson brought a motion not too long ago that procurement should be a key part of it, if I'm not mistaken.

You said technology is changing every six months. That's something we faced and addressed during our inquiries in Europe. Military people, who I shall not name, said that by the time they move forward to inquire, to seek, to put RFPs, etc., over so many years, they get a piece of equipment that's redundant. How do we eliminate or minimize that? Do we just get it off the shelf?

Obviously that's a concern. When requests or orders are placed a year or two, let's say, after the need is identified, by the time delivery date comes, we're most likely going to have our military personnel coming to you or coming to us, the politicians, saying they can't use this helicopter, or they can't use this frigate, or they can't use this type of tank. That's a concern. How do we address it?

I expressed my view in terms of information sharing. I think that's a problem everybody has to address. I agree with your saying, in your closing remarks, that response time is not that good. The million-dollar question is, how do we address that? If we remove the ability of certain organizations or representatives to make those decisions and, God forbid, something goes wrong—there's always that possibility—it's not the NGO or the said department that's going to be taking the hit, and I say this very bluntly, it's the politician. It's not just my party or the other parties represented; it's the politician who is dragged before the media and criticized and torn apart—assassinated, in essence—because they say, you had a responsibility. You kind of eluded that in your closing statements.

Please see how you can find a balance there of how that could be addressed.

In closing, I mostly have a concern—and it was reflected by other people here—with the European Community and their wrong direction. They want access to the same service. My colleagues will correct if I'm wrong. They talked about a virtual army, a virtual military force. To me, a good number of those NATO members are also members of the EU. We're contributing to this toolbox, if you will, through our resources, and I'm concerned with the various directions they're heading in—how they see this virtual army, how you see it—and with the fairness in it for us as Canadian representatives asking our taxpayers to continuously provide funds through the government to support our military. And we should. We've been very supportive and will continue to be.

Where's the fairness in these two mindsets that are unfolding, and how do you see that in the future?

● (1250)

Mr. Eric Lehre: Oddly enough, I'm extremely capable of answering the funding issue because of my previous NATO policy job.

Canada contributes to NATO via three mechanisms. The first is with its overall defence budget; it makes a military that is occasionally lent to NATO. All nations do that. We also give funds to NATO directly, voted from Parliament—vote 5. The first is to the NATO military program, and the next is to the NATO infrastructure fund.

Let's take the really bad example. All of this, by the way, is based on GDP share. If you have a huge GDP, you contribute. The U.S. is typically required to contribute 10 times as much as Canada because that's their GDP size.

The Chair: Do they always meet their obligations, to the best of your knowledge?

Mr. Eric Lehre: Here is where it gets interesting.

The Chair: I only ask the question because I read an article, in terms of the United Nations, that they are the biggest contributor, but certain nations—I'm not saying the United States, but certain nations—say, these are my obligations, but I have not actually met those or paid the bills.

● (1255)

Mr. Eric Lehre: They meet their commitment. Canada and the United States, with the NATO infrastructure program, build runways in Germany, as far as I can figure, with disastrous rates of return. The Europeans would put in $100 million—and typically that's what Canada's share was, $100 million—and the Europeans would get back $200 million, in buildings. Canada would get back 20%, in a new jetty in Halifax.

It's the same with the United States. They said, “We're being robbed”. And so the U.S. cut their contribution to half GDP share, and said, “You're only getting $500 million”. And Canada said, “You're only getting $50 million”.

The other is the NATO military fund at $100 million a year. This is what buys radios, common radios, for NATO use. It's the NATO airborne warning and control system. As General Naumann, the chairman of the military committee, said, any country who complains about their military program funding just doesn't understand; I mean, $100 million a year out of a $13 billion annual DND allocation is peanuts. Sure, you can find another use for $100 million, but for what it gets in NATO interoperability primarily, and the support of the headquarters, this is a bargain in anybody's defence spending.

Bottom line? Good value. And we've corrected the problem with the NATO infrastructure funding, largely.

Next, how are we going to get procurement reform? Here are a couple of fast ideas. In the past, the party in power would not commit to a major capital program without telling the opposition—this is the old days of the Liberals and Conservatives—and getting an under-the-table agreement that the opposition party, if it won the next election, would support the program.

This appeared to break down in 1993-94 over the EH 101, where one party went ahead and probably...knowing the other party, they considered them Cadillacs, and the system broke down. That's why it took 20 years to get a helicopter; it was repeatedly cancelled.

The Chair: Are you telling this committee, sir, that the wisest or best way to go is to put that procurement initiative under the auspices of the commander of the military, and to let him or her make that decision?

Mr. Eric Lehre: Definitely not. In countries where the military makes this decision it's even worse. No, we won't name names.

For the most competent spending of money in a schedule sense, you must work towards a five-year capital plan rather than have annual votes, i.e., so you've essentially locked in the funding for a new piece of equipment. DND knows it can't overspend because that's all it's going to get. Conversely, the people who are bidding on it can safely bid a decent price first, knowing that the money will be there in five years and they're not going to be held to ransom every year because of the vote on money.

The other one is technological change. This is where you've got to hold DND's feet to the fire. Anybody who buys a computer that isn't commercial off-the-shelf needs his head read. This must be explained to you, because this just doesn't make any sense anymore but we're still trying to do it.

In my flagship I had a magnificent stateroom—as befits a commodore, quite candidly. They said they were going to build me a computer stand. They took a steel column and they welded it to the deck below, which required them to clear out the equipment in the lower room, and they welded it to the top, which required them to remove a radar component from the room above. It had gusseted steel plates; it was built to withstand a nuclear blast, this computer thing. I said "Excuse me, I don't have a desktop; I have a laptop and I'm putting it on my desk". This was a $5,000 pipe; it was unbelievable. You have to ask yourself, how did we let this happen?

The Americans have an excellent system. They're now starting to say that you can't build a ship around the computer. You've got to use the system called "white rooms", where the ops room is nothing but a set of four walls and a floor and a deck. There are no welded fitments; there are only channels so you can rewire and replumb and refit when the latest computer comes along.

Other issues. We have two ways of fixing our ships. We have the traditional deepwater fleet repaired by the naval dockyards, and we have the maritime coastal defence vessels that are all done by contract. They do everything. Truly, it's hard to get a Canadian contractor to take on the commercial responsibility for sonar and fire controls and torpedoes, because there's not much commercial call for this wherein he can base a reasonably decent business. But there is for small vessels that are the same size as trawlers or coastal defence vessels.

Well, I'll tell you, he also bears the responsibility for the computer overhauls and upgrading and the like. It's far better for him to be making the decisions on the next computer to buy than DND, because we add two years to make our minds up and two years to design the RFP. There's got to be room in certain elements for turning great chunks of the computer business over to contractors.

The navy has turned over all its software programming, even of our most exotic military systems, to commercial software developers. You've got to ask why we are doing this ourselves in any other area.

Response time and people getting cranky at the Prime Minister over slow DART deployments. Yes, where the bureaucracy is ruining your day by taking six days to make a decision they had to make anyway—we are going to Pakistan, we were going to Indonesia—well, you've got to hold their feet to the fire. You have to fire people who did this to you.

On the other hand, if they were getting there by Hercules the government hasn't chosen to replace, then that's your problem.

● (1300)

The Chair: Have we had any accidents or any problems with the Hercules?

Mr. Eric Lehre: Oh yes, 19 of your 30-odd Hercules are the oldest in the world, with maintainability rates that are well documented—

The Chair: The helicopter that flies the President of the United States is quite old as well, but is there a problem with it?

Mr. Eric Lehre: Yes, there is a problem with it. Its mean time between failures is high; its maintenance load is high. The President probably has no problem getting relatively high maintenance loading. We have a problem maintaining that kind of maintenance rate, and we accept failures. And I suspect there isn't one presidential helo; there are probably five of them, and when one breaks, the next one comes rolling out.

The Chair: It's close for me in terms of time.

With technology changing every six months, how do we overcome that?

Mr. Eric Lehre: In the navy, my most critical two systems are the coalition wide area network and the global command and control system, GCCS. Both are commercial, off the shelf, and my team cycles the laptops through. I went from 386 to 486 to Pentium to Centrino, and the good thing was that so did the software, because the U.S. was buying it.

The Chair: So you're suggesting off-the-shelf?

Mr. Eric Lehre: Absolutely. And don't develop a military software application if somebody else is going to do it for you and let you use it, because it also increases interoperability.

The Chair: Mr. Lehre, I can't thank you enough for the very generous presentation you've provided to us.

And I hope you didn't believe your friend who told you to wait until it's reasonably priced.

● (1305)

Mr. Eric Lehre: Pardon?

The Chair: I hope you didn't believe your friend who said to you, wait, don't buy now until it's reasonably priced. That's living in la-la land. There's no such thing, I think, in this area that we're moving in.

But thank you very much. I'll certainly look forward to any information or data you might want to send our committee, which we'll distribute. I appreciate your time.

We'll adjourn.

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