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—
Chair

Mr. Rick Casson

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•(1235)

[English]

The Chair (Mr. Rick Casson (Lethbridge, CPC)): Members, we have switched from in camera to an open public session.

We're dealing with a notice of motion as indicated by Mr. Coderre at the last meeting. It was properly presented and has been circulated in both official languages.

Mr. Coderre, I would like you to kick off the comments. We'll allow each party representative here to comment as well, and then we'll move on with it.

[Translation]

Hon. Denis Coderre (Bourassa, Lib.): Thank you, Mr. Chairman.

My comment concerns the recommendation made by government officials. I had asked that the Aurora surveillance aircraft program immediately be included in the work of the Auditor General. I believe people have a lot of questions about the rationale for the replacement and sudden cancellation of the modernization program. We know that on December 18, the people of Nova Scotia will probably receive a Christmas gift that they don't want. This talks about the surveillance aircraft, but also a potential procurement process.

What justification is there for replacing these aircraft when, according to experts, they could remain in service until 2025? I did not want to go into detail here. I believe that, generally speaking, this motion is consistent with the current reality. It tells the Auditor General that, in addition to the five procurement contracts, she will be asked to review this matter.

It is important to remember that Canada has a significant role to play domestically, and that nothing has been signed so far, as regards surveillance and search capabilities. There has been a lot of talk of security and sovereignty in the Arctic, and that includes a military component. We need surveillance aircraft. Let's not forget that since last November, the Auroras no longer fly over the Arctic. They no longer fly up North. To me, that is quite worrisome.

If those aircraft lasted until 2015—even though we have also heard 2009 mentioned—they would be replaced by other Boeing aircraft. However, this is a product currently under development and production can only begin in 2013. Based on a very optimistic scenario, we can expect them to be operational starting in 2016. I forget the names of the two colonels who appeared as military experts, but I could provide you with the relevant material. In any case, the experts clearly stated that there would be a gap, and that the

gap could not be filled. In my opinion, the very future of our coastlines and the Arctic are at stake here.

Mr. Chairman, in light of these considerations, I think it is appropriate that the Committee respectfully request that the Auditor General be given a mandate, namely that she conduct a review of the status of the CP-140 Aurora aircraft.

Thank you.

[English]

The Chair: Thank you.

Mr. Hawn.

Mr. Laurie Hawn (Edmonton Centre, CPC): There are a number of things to say about this.

First of all, my colleague is presupposing a decision that may or not be taken that way. As it's written, the motion is not valid, because there has been no sudden cancellation of the Aurora project.

We are here to help make the best use of taxpayers' dollars. We require surveillance capability. There's no question about that. We cannot have an operational gap in that capability.

The Auroras do fly in the north. I'm not sure where my colleague is getting that, but it's absolutely wrong. They do fly in the north. They don't fly in the north as much at this time of year, because there are fewer folks to surveil up there.

He's made some statements that we'll get another Boeing airplane. I have no idea where that's coming from. There's nothing that says we're going to get any kind of airplane. We will need an airplane to replace the Aurora at some point, but part of that will be driven by the decision the minister is going to have to make fairly shortly. There's nothing to suggest that it's going to be a Boeing airplane. That kind of statement is completely off base, and frankly it should be disregarded.

Likewise the dates that were thrown out are being picked out of the air. There are many things that will drive those kinds of decisions and those timetables.

Let me talk about the decision on the Aurora. Once again, I may have a bit better understanding of some of the technical aspects of that than other members. We've gone part way through the incremental modernization project, which is a bunch of projects put together. Part of it is avionics communication and so on. Part of it is structural.

The dilemma is that we have another \$800 million to spend on the whole project. I think we have spent about \$600 million; that number may not be quite accurate, but it's a considerable amount of money. As to the avionics part, there's no question that this would need to proceed.

The challenge in the decision-making process is that part of the airplane has been opened up; part of the project is on structural work. I think the concern is that five or six years down the road, once we pass the point of no return, other parts of the airplane will be opened up, it's going to be one of those "oh my God" moments, and we will have to do more structurally. I've seen this movie before. I think it's probably a pretty good prediction that it will happen. So then we're faced with having spent the money for the entire project and we have another unforecasted expenditure, or we have an operational gap because we can't fly the airplanes because we can't spend the money to fix the stuff that comes up.

That's the conundrum. Do we stop now—and that decision has not been made—and reserve that money for the following airplane, whatever that might be and from whichever company it might come? There are a number of airplanes that could potentially be candidates for that. Or do we go ahead and finish the program and hope that we find nothing else down the road?

It's a decision that I know the minister has not made. It's a decision that the chief of the air staff and his folks have been wrestling with. Frankly, they are the experts. They understand what's going on inside the Aurora. They understand the operational requirement. They're the ones who are really having to wrestle with that. It's not an easy decision. It has not been made.

The motion, as written, is not valid, because it misstates the facts.

• (1240)

The Chair: I have Mr. Lunney, and then Mr. Coderre wants a chance to respond.

Mr. James Lunney (Nanaimo—Alberni, CPC): Thank you, Mr. Chairman.

Maintaining surveillance is certainly important to me as a coastal MP. We're concerned that we don't have enough eyes on our coast. We want to make sure we have adequate surveillance out there. I don't think our radar coverage is adequate on the coast either, in terms of marine communication traffic services. We have radar right in Ucluelet, in my riding, that monitors approaches to the coast, but there are all kinds of areas that aren't covered and that's where we hope capabilities like the Aurora will cover for those deficiencies on land.

I understand from this whole program with the Auroras, the modernization program that has been under way for about 10 years already, that these airplanes will be maintained and they will be carrying on their program until.... And if there is a replacement decided on eventually, there will be continuation of service through judicious use of the equipment we have available.

That's certainly of interest to me for coastal patrol. We don't want to see any gaps there. But I think when you have huge infrastructure investments.... Again, to use a B.C. analogy—Mr. Dosanjh, another B.C. member, has joined us now—we had a huge infrastructure in

ferries, and there was no game plan to replace them. Now we suddenly have a huge capital outlay that has to happen.

So the modernization of our capabilities is something we have to stay on top of. I would think something as important as surveying our coasts...particularly in a day when we have nasty people out there who might like to cause us havoc in our shipping lanes and our coastal environment and so on, if there was a nasty event. We have to maintain surveillance there. I think we have to maintain that capability. That's certainly the order of where the department is heading.

My concern with the motion here is that it speaks as though the program were actually cancelled, and that's not the fact as I see it.

I think, Mr. Coderre, with all due respect, if we're asking the Auditor General to review this—and I have no problem with reviewing the Aurora program—let's at least word the motion in an appropriate manner that reflects the realities as we understand them.

The program hasn't been cancelled. It's just that the best expenditure is still under review. We could ask for her input on that. I think we should just amend the motion so that it reflects the realities as we understand them, with all due respect.

The Chair: Thank you very much.

Denis, there are other people who want to comment. Is that all right, if we do that before?

Mr. Bachand, and then Ms. Black.

[*Translation*]

Mr. Claude Bachand (Saint-Jean, BQ): I would like some clarification. Could the researcher tell me if the Department of National Defence has so far invested \$900 million in the Aurora upgrade?

[*English*]

Mr. Wolf Koerner (Committee Researcher): I really don't know. I think so, but I'm not sure.

[*Translation*]

Mr. Claude Bachand: The fact that no decision has been made yet presents a problem, as far as I am concerned. My tendency would be to put a period after the words "the CP-140 Aurora surveillance plane program". If we add "and, in particular, the replacement and sudden cancellation of the Aurora incremental modernization project", when the program has not been cancelled at this time, we are assuming that it will be. Can we mandate the Auditor General to conduct a review of the rationale for replacing it when we do not even know whether it's going to be replaced? That is what bothers me.

If we take out everything after the words “CP-140 Aurora surveillance plane program”, we would not need to make a change in the Auditor General's review. We would simply give her a mandate to look at everything included in the CP-140 Aurora aircraft program. Subsequently, if the contract is cancelled or an attempt is made to purchase other aircraft, she can always consider that in her review.

We could send her a notice saying that we asked her to review the Aurora surveillance aircraft program, but that the government has terminated the modernization contract and now wants to purchase other types of aircraft. We could then ask her to consider that in her review project. That project is not going to get off the ground tomorrow morning.

I would like to hear the views of the mover on this. Could we put a period after the words “CP-140 Aurora surveillance plane program”, and drop everything that follows for the time being? If the mover's fears turn out to be founded, we will ask the Auditor General to also consider the contract cancellation and the purchase of another type of aircraft.

I would like to hear the views of the mover on this.

•(1245)

[English]

The Chair: We have Ms. Black for a comment, and then back to Mr. Coderre for wrap-up.

Ms. Dawn Black (New Westminster—Coquitlam, NDP): I would just say that I would support Claude's amendment to the resolution. I don't know if Denis wants to go ahead now to indicate whether that's acceptable or not.

The Chair: Thank you.

We'll go to Mr. Coderre.

Ms. Dawn Black: I want to speak—

The Chair: Oh, I'm sorry, I thought that was it. Go ahead.

Ms. Dawn Black: I'm just saying that if he wants to go ahead and indicate that it's acceptable and then you come back to me, that's fine with me.

The Chair: Okay.

Go ahead.

Hon. Denis Coderre: If it came from the proposer, do I need to make an amendment? I'm totally in agreement with that.

The Chair: I think a friendly amendment would be done, and then we would move—

Hon. Denis Coderre: There would be a friendly amendment. That's okay. I'm okay with that.

Mr. Laurie Hawn: We would probably want to add the word “including”.

Hon. Denis Coderre: Is there no “including”? I will put a period after CP-140.

Mr. Laurie Hawn: What I'm saying is “process, including the CP-140”; it doesn't read grammatically correctly.

[Translation]

Hon. Denis Coderre: In French, it says: “que soit inclus le programme des avions de surveillance Aurora CP-140”. We could stop it there and have it translated into English so as to correspond to the French version.

[English]

Mr. Laurie Hawn: In French it's okay.

The Chair: Okay, we'll get that worked out.

Go ahead, Ms. Black.

Ms. Dawn Black: Just to reiterate what Mr. Lunney said earlier, coming also from British Columbia I think there are a number of issues, not just the one he mentioned, which was the possibility of someone entering from the coast to do harm to people. Another use for surveillance is for the whole issue of people trafficking and also for the huge problem in Canada, and particularly in British Columbia, of drug smuggling. So to hear that surveillance is being cut back is a real concern to people in my province, for sure, which has one of the longer coastlines.

The Chair: Thank you.

We're ready to move on. I just want to be very clear what—

Mr. Laurie Hawn: I have just one other comment.

Nothing is being cut back in terms of surveillance. A decision, when it comes, if it comes, is going to take into account the requirements of the Canadian Forces, meaning maintainability and doing the job, which is surveillance. It's going to take into account the best use of taxpayer dollars, and it's going to take into account the regional industrial impact.

So it's not an easy decision that's being contemplated, but it's reality.

Hon. Denis Coderre: That's your reality.

Mr. Laurie Hawn: The reality is that a decision has to be made, and it will take into account all those things, as any decision of this magnitude has to. But surveillance has not been dropped.

The Chair: We have Mr. Bachand, for just a little one.

[Translation]

Mr. Claude Bachand: The fundamental issue is whether we need costly aircraft requiring pilots and crews to carry out surveillance. This is quite an important issue. I have always been a staunch defender of new technology and unmanned aerial vehicles. I think it would cost much less to maintain that kind of surveillance fleet. I simply wanted to add that.

We have had a discussion about submarines. Part of the rationale for having submarines was that they would be used to carry out surveillance in the Far North. However, that could be done with a fleet of unmanned aircraft.

For the time being, I want to stick with the suggestion I've made. Let's do a review of the Aurora to see whether things are going well or not. If a change occurs in the meantime, we can always add the other part that was suggested earlier.

[English]

The Chair: Thank you all for your input.

We'll have Mr. Coderre to wrap up, and then we can move on to a vote.

• (1250)

[*Translation*]

Hon. Denis Coderre: I have no problem with doing it that way. We need to consider the situation. Of course, for my friend, Laurie, and myself, it's not the same.

Money has already been spent. This affects even the Canadian aerospace industry and specific jobs in Nova Scotia and the Maritimes. I put some questions to the Minister, but I wasn't satisfied with his answers. In my opinion, in light of what we've seen, this kind of request is justified.

I would ask that the motion be put to a vote, Mr. Chairman.

[*English*]

The Chair: So the motion now reads...

Does somebody want to read that for me to make sure we all understand what it says?

Go ahead, Mr. Clerk.

The Clerk of the Committee (Mr. Samy Agha): In English it reads as follows: That the Standing Committee on National Defence ask the Auditor General to include in the mandate proposed by the Committee (and approved by the AG) for the audit of the Government of Canada's defence procurement process, the CP-140 Aurora surveillance plane program.

Mr. Laurie Hawn: We had talked about "include" because that matches the French.

The Chair: But it does say "include" in the first sentence. I think we're just missing a comma. We can make it read as follows: That the Standing Committee on National Defence ask the Auditor General to include in the mandate proposed by the Committee, (and approved by the AG) for the audit of the Government of Canada's defence procurement process, the CP-140 Aurora surveillance plane program.

Okay?

Good. Thank you.

And in French?

[*Translation*]

The Clerk: The motion reads as follows:

Il est d'avis que le Comité permanent de la Défense Nationale demande à la Vérificatrice Générale d'inclure au mandat proposé (et accepté par la VG) par notre comité quant à la vérification du processus d'acquisition du Gouvernement Canadien en matière de Défense Nationale que soit inclus le programme des avions de surveillance Aurora CP-140.

Hon. Denis Coderre: I am requesting a recorded vote, please.

[*English*]

The Chair: Are we ready for the question?

(Motion as amended agreed to: yeas 10; nays 0)

The Chair: Thank you very much.

The meeting is adjourned.

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