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Mr. James Bezan

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● (1105)

[*English*]

The Chair (Mr. James Bezan (Selkirk—Interlake, CPC)): We're going to call this meeting to order. We're running a couple of minutes behind schedule. We're going to continue with our study on readiness, and joining us today we have a bunch of academics.

First, from the University of Calgary we have David Bercuson, director of the Centre for Military and Strategic Studies.

From Dalhousie University we're joined by Vice-Admiral Gary Garnett, who's retired and is a research fellow at the Centre for Foreign Policy Studies.

From the Université du Québec à Montréal is Stéphane Roussel, who is a professor and Canadian research chair in Canadian foreign and defence policy, and he is joined by his analyst, Professor Battiss.

Welcome, all of you.

We'll open it up to your brief comments to kick off the discussion.

Mr. Bercuson, please start us off.

Professor David Bercuson (Director, Centre for Military and Strategic Studies, University of Calgary): Thank you very much. I don't have a lot to say, which will probably make things a lot easier for everybody else this morning.

I was not aware that you were specifically discussing the question of readiness. I have to say with all due respect that I'm not quite sure what that means. I thought I would come here and say a few things about capabilities and I'm sure this easily slides over into readiness.

I've been asking myself for quite some time now as to why we have so much difficulty making defence policy in Canada, or making it stick. I think there are essentially three reasons.

The first is that direct threats to Canada are obviously abstract threats. We don't live in as difficult a neighbourhood of the world as Australia and other countries do, for example. We think of ourselves as taking part in operations with allies for reasons of national interest, whether that be full-scale wars or small wars, as we had in Afghanistan, but those are, again, abstract because they don't directly impact citizens. Canadians don't really see the threats unless they are major wars. But in the wars such as we are just about to conclude in Afghanistan, it's more difficult for Canadians to understand what's at issue.

The second reason is that the political decision-making calendar—and I've worded that very carefully—does not coincide with long-term strategic developments. We have our own political decision-making calendar in this country and it's largely nailed down by election cycles. It doesn't really matter what party is in office, because the considerations are the same. Long-term strategic developments, whether they're surprising ones like the Arab awakening or Arab Spring, ones that catch us off-guard, or ones that we can see evolving long term, such as the growth of naval power in China, don't wait for the Canadian political cycle. They just go on.

The third reason is that it takes a long time in this modern age to build military capability. I'm not only talking about kit, or equipment. Obviously it takes a long time to build something like the maritime shipboard helicopter or a modern strategic fighter jet, but it also takes a long time to train infantry, just to give you one example. Again, the political decision-making cycle is not particularly a long-term cycle. It's an annual cycle, it's a budgetary cycle, and it has to respond to the daily realities of what's going on with the Canadian economy and with the global economy. What we've seen since 2008 has had a very significant impact on defence planning in Canada, but that isn't the first time it's happened. It's happened on and on since the end of the Second World War.

The best current example I can give of that is Canada's defence strategy of 2008, which I reviewed again the other day before my appearance here. The more time that elapses since the announcement of that policy in 2008, the more out of date it becomes. I strongly suspect that the next federal budget—the one we will hear either next month in March, or maybe early April, we're not really sure—will push its force and funding projections further down the road, shift it to the right some people say, in response to the real pressures that exist on the Canadian budget.

Not for the first time, the fiscal situation will have a significant impact on defence planning in Canada, but again, the world's strategic evolution isn't waiting for Canada, the United States, or NATO, for that matter, to resolve its budget problems. The Chinese are not waiting for us to resolve our issues in their push to create hegemony over the South China Sea and the approaches to the South China Sea.

It's not only in strategic problems that we see this. I wanted to pick two examples, one domestic and one international. It's pretty clear, it seems to me, that we have a growing demand for search and rescue capability in this country, and we've had it for a long time. I was trying to remember the first time that the replacement for the fixed-wing search and rescue aircraft was raised, but it was back early in the 2000s, maybe 2001, and maybe 2002. Now 10 years later, we have a really serious effort, I'm told, to actually carry out a competition to find and acquire a new fixed-wing search and rescue aircraft.

I'm sure you're all aware of the fact that not too long ago, a young boy died in Newfoundland and Labrador as a result of the lack of availability of a helicopter. I don't know what the Department of National Defence and the minister would actually say about this, but I do know that in the military we're told that this is a cost-benefit factor. We can't have search and rescue equipment all over the Arctic. I understand that—it would be a phenomenal waste of resources—but do we have enough and why haven't we solved that problem before? Well, again, it's because the question has been put off for various reasons, including budgetary ones.

I also think that almost everyone who sees the world situation today understands that we absolutely must build up our blue-water naval capabilities. The next generation of Canadians ought to be as much or more concerned about the navy. I'm not saying this because Gary's sitting on my right and is going to give me an elbow, but that's where the challenges are going to be—not just in the South China Sea but in many places around the world where the global commons is going to be less well guarded by our neighbours to the south.

The U.S. Navy is going to experience considerable budget cuts. They're talking about laying up numbers of cruisers and destroyers. There was a long list enunciated recently. Apparently, right now they're not going to cut into their carriers, but just about everything else is going to be cut back significantly.

This is not a value judgment on my part, but I like to think that the United States Navy, today, plays the same role in the world as the Royal Navy played in the 19th century, and that all of us who are trading nations and who believe in the freedom of navigation depend very heavily on the Americans for guaranteeing that. When the Americans begin to cut back, what role will our navy play, if any?

Everyone talks about smart defence, the allies fitting together, and so on. Our navy has been interoperable with the U.S. Navy since the mid-1990s. But at a strategic level, what decisions need to be made as to what role our navy ought to play in the future to help the Americans, the Australians, Great Britain, and others carry on the work the U.S. Navy has basically been doing by itself for the last generation or two?

Finally, I want to say I think we ought to study our Afghanistan experiences very closely, because I think they might prompt us to revise our NATO-centric defence planning. I don't see us ever leaving NATO or threatening to leave NATO, but there's a significant difference between the work we do with the so-called Five Eyes—the British, the Americans, the Australians, the New Zealanders, and ourselves—and the work we do with NATO in all of NATO's different characteristics. That includes the NATO countries that do nothing, the NATO countries that do a lot, and the NATO countries that make political commitments but are not prepared, either because they can't or because they won't make military commitments. I think we have to look at that very carefully rather than continuing to discuss NATO in sacred terms.

That's really all I wanted to say for introductory remarks. Obviously, I'll be happy to answer questions.

● (1110)

The Chair: Thank you.

Admiral Garnett, you have the floor.

Vice-Admiral (Retired) Gary Garnett (Research Fellow, Centre for Foreign Policy Studies, Dalhousie University): Mr. Chairman and members of the Standing Committee on National Defence, I'm pleased to have the opportunity to appear before you today, although I must say it's a bit of a shock coming from sunny and mild Victoria, British Columbia.

As a vice-admiral my last three appointments have all had something to do with readiness in a time of resource constraint, so I do have some experience in the field of readiness. I was the admiral of the east coast navy, then the commander of the navy, and finally the vice-chief of the defence staff, where my primary occupation was resource management and squeezing every last penny to obtain the biggest bang for the buck.

Since retirement I've been involved in the private sector and with several institutions. I appear before you today as a research fellow with the Centre of Foreign Policy Studies at Dalhousie University. Any views or opinions I express are mine alone and do not necessarily represent those of the Centre for Foreign Policy Studies.

Readiness is a complicated and somewhat confusing topic. It varies considerably for each of the services, however, the principles are similar—how ready do you wish to have your capability to take on any given task? That simply means how quickly Canada can meaningfully react with military forces to meet an emerging situation or threat.

Studies need to be done and updated to keep current the threat analysis, security environment, and the likelihood of force deployments to deal with these situations. Some contingencies require unit response, and some require a larger grouping with supporting forces. Some units are relatively self-contained, and others require support from a variety of sources for their deployment. Some have a degree of freedom in their operations—mostly maritime—while most others require bases, or sea or air support, to deploy and be maintained.

Readiness includes people and their level of training, as well as the state of their equipment and leadership. It includes the platforms —weapons, vehicles, and equipment—that they deploy with, and the availability of support, including lift capability. It also includes what their level of notice to move is, which is of course affected by their unit deployability. For example, a ship can up and sail, while other capabilities require a platform, or more than one, to move them. So, is that integral support, or do they have to be supplied by contract? Others require arrangements for landing and support en route to a mission area.

You normally want to keep the minimum number of forces at the higher states of readiness, as it costs more in terms of resources and limits the freedom of the unit or group personnel. Thus, in your force structure you need to have multiples of the same capability—many similar small units, multiples of two, three, or even more, large groupings of capabilities that can respond to larger and more likely warfare-like tasks.

An example of these large groupings would be two naval task groups. One is ready to deploy within a given timeframe, and the other could be brought to that agreed readiness state in time to take the place of the first, if necessary to sustain the operation. This is an example of the first task group being at high readiness, and the second likely at normal readiness. However, if significant elements of the second task group were in long maintenance, then that would be an example of extended readiness.

Government needs to understand the overall readiness state of the forces, and be comfortable with the fact that they can only demand action in predetermined timeframes based on the agreed readiness posture. The military, on the other hand, must keep the government apprised of the range of options for both domestic and international operations in response to potential government interests and needs.

The timing of some events, like Y2K or the 2010 Olympics, are known, and the necessary force structure to support these events can be task-tailored and trained in advance. But the vast majority of events are not known in advance, and must be handled by the force structure within the overall readiness posture.

There was a belief that being trained to the highest levels would provide the capability to respond equally well to lower level tasks. I think this sort of thinking has somewhat changed, as even the lower level of domestic response tasks have become more challenging, as has the overall range of potential force requirements, ranging from humanitarian support to all-out war and counter-insurgency.

● (1115)

Training has several aspects that start at the individual and the team level, progress to the unit level, and then progress to larger groupings, such as a task group or task force, brigade, or squadron. There is the joint level beyond the services, whereby units of the various services are brought together to train and operate, thus providing an overall resulting capability that is often greater than the sum of the individual participants and that provides the government with a highly visible national capability.

Canada often deploys and joins a coalition for combined operations, thus adding an additional training requirement beyond that of the national joint level.

Of course, if you're already embarked on a mission that is enduring, then mission-specific training is also required, so that as the mission progresses in time, lessons are learned from the operations and fed back into the training cycle. Thus, in this case, the first deployment to the mission would have to be conducted within the readiness state of the responding force structure, and then after that the readiness cycle would be aligned with the rotation of forces on that mission, à la Afghanistan.

As I said before, readiness is costly and needs to be carefully funded so as not to jeopardize the members of the forces or limit the government's desired ability to respond to contingencies in an acceptable timeframe. This needs to be carefully studied and briefed to government.

There will always be trade-offs, particularly when resources become constrained. There is a degree of judgment required. Putting too much of your limited resources into readiness is not an answer either, as one of the other pillars—personnel, equipment, or infrastructure—will suffer and become distorted.

All of the above being stated, there is, however, a need to have a defined set and scope of capabilities at sufficient readiness to deploy. Otherwise, any government's options would be severely constrained in responding in a meaningful way when reacting to domestic situations, or internationally.

Mr. Chairman, that's the limit of my opening remarks. I'm sure we'll explore some of these concepts and issues during the question and answer period.

● (1120)

The Chair: Thank you, Admiral.

Professor Roussel.

Professor Stéphane Roussel (Professor, Canada Research Chair in Canadian Foreign and Defence Policy, Université du Québec à Montréal): Thank you very much.

I will make my presentation in French, which is a bit dangerous because David Bercuson was talking about “readiness”, and I don't even know how to say “readiness” in French, but I'll try.

[*Translation*]

First, I would like to thank you for inviting us here this morning. This is like a homecoming for me because I started my university career as a parliamentary intern with the National Defence committee in 1990, which obviously dates me.

My colleague Samir Battiss and I will be discussing two themes. Just so you know when asking your questions, Mr. Battiss is an expert on all matters pertaining to relations with NATO allies, interoperability and overseas missions. I mainly specialize in public opinion issues and U.S. relations and, in the past six years, have been very much involved in Arctic issues. So we will also be discussing the Arctic a little.

This morning, in the few moments we have, we would like to draw your attention to the concept of global commons, or *biens communs*, in French. It is a concept increasingly used in documentation. You will find it at NATO and in the white papers of other states and governments. In many cases, it is the new buzzword.

We want to talk about it for two reasons. First, it means good opportunities for Canada and the Canadian Forces. At the same time, however, it may also be a very serious problem for Canada. We will be addressing those two aspects.

First, what is meant by "global commons"? These are the areas between states that must be controlled to ensure some stability in the international system. They are air spaces, outer space, cyberspace and marine space. So these are four areas that should be given special attention. For example, the Canadian Navy's anti-piracy missions are an example of this type of mission.

It is crucially important for Canada that shipping routes, particularly those in the Pacific, are secured so that trade can continue freely.

Canada has extraordinary expertise in satellites and telecommunications, and that is also a vital area for Canadians. These are essential fields for the Canadian Forces and for the future of the missions they are assigned.

Discussions of the environment, globalization and trade can also provide a broader vision of global commons. These are all aspects that are concern to the Canadian government.

You will certainly have to talk about them. You will often talk about them in positive terms; that is to say that Canada is a state that can contribute to the stability of the international system, and the Canadian Forces must help maintain the global commons.

However, there is a trap for Canada. This concept of global commons brings with it a problem. The global commons argument is being used by more and more governments, and many of those governments are states interested in the Arctic and the High North, without being Arctic states. It is generally held that there are eight Arctic states: Canada, the United States, Russia, Denmark, Finland, Norway, Sweden and Iceland.

Most of the other states that are not Arctic states and that have an interest in that region, such as China, France, Japan or Germany, may use this concept of global commons to justify their presence in the Arctic and potentially to dispute the methods of governance currently being put in place in the region.

The main governance method is the Arctic Council, which essentially consists of the eight Arctic states and a number of other participants and observers.

However, states such as China and France may question the Arctic Council's predominance on the basis of this concept of global commons.

In more practical and concrete terms, for us and for the Canadian Forces, what is the significance of Canada's presence in the Arctic and of the need to be there to manage the problems that arise and that are genuine problems in that region, but also to counter the argument that the Arctic states are incapable of managing those problems? The Canadian government must invest in the region.

What does this mean in concrete terms? First of all, there are three basic assumptions or elements on which our reasoning on the issue can be constructed.

There will likely be an increasing human presence in the Arctic over the next few years. The trend has started and will definitely continue. Consequently, there is a growing presence in the Arctic, an economic and trade presence, the presence of a lot of extreme sports enthusiasts and adventurers and a scientific presence.

Second, despite the pan-governmental approach that we tend to use in discussing the Arctic, the Canadian Forces are still the main provider of Canadian government services. The government relies first and foremost on the Canadian Forces to deliver services and assert its presence in the Arctic.

The third point that we also tend to forget is that Canadian Forces missions in the Arctic are the most popular with the Canadian public. If there are any missions that the vast majority of Canadians appreciate, support and are prepared to encourage, it is those linked to the protection of Canadian sovereignty and the environment in the Arctic. Canada's military presence in the Arctic is very favourably received by the public.

In concrete terms, what can we do over the next few years to increase Canada's presence in the region and to enhance its readiness? I will essentially make three suggestions. I am referring to those that are extensively cited in the documentation.

First of all, you should ensure that the promises that have been made since 2007 are indeed kept, particularly the creation of a deep-water port and training centres in the Arctic.

Second, we must establish closer collaboration with the United States. There are very few agreements or protocols with the Americans in the region. In fact, Canadians and Americans are surprisingly among the countries least involved in the Arctic, compared to the Russians and the Norwegians. So there is a need. Not only is the task enormous and immense—David Bercuson said so a few minutes ago—but, at the same time, neither Canadians nor Americans can perform all tasks alone as matters currently stand. There is therefore greater room for collaboration between Canada and the United States.

Third, the Canadian government should take initiatives to help define this concept of global commons and how they must be managed so that it can simultaneously counter the definitions that might potentially be risky for Canada. One of those initiatives could be taken in the context of the Arctic Council, the chair of which Canada will take over next year. For Canada, that would probably be the ideal framework for implementing other agreements such as those recently signed on search and rescue. The idea would be to have a single type of agreement that would define, in concrete terms, how the Arctic states, whether it be the eight Arctic states or the five coastal states, will be able to manage the challenges and problems of that region by themselves and simultaneously counter the risks associated with the global commons concept.

● (1125)

The Chair: Thank you very much.

[*English*]

We're going to go on with the questioning. We'll kick off the first round of seven minutes.

Mr. Christopherson, you have the floor.

Mr. David Christopherson (Hamilton Centre, NDP): Thank you very much, Chair, and thank you very much to our witnesses today. It's fascinating. I wish we had a little more time. I'm not sure where to begin.

I have a micro question, Professor. You talked about the Arctic. I've had the opportunity to go to the Arctic, to Resolute and stand in the Northwest Passage. I encourage colleagues, if you haven't had a chance to go there, to go. It gives you a whole different perspective on Canada and certainly on the challenges in the high Arctic. It's so different that it really is like another planet.

The one question I want to ask, Professor, at a macro level, is whether you agree that using the military to the degree the government is currently planning is the best way to populate that area as quickly as possible. The positive side is that you can do it quickly. There are certain strategic benefits to it. There are a whole lot of practical reasons why, if you want to do it in a hurry, that makes a lot of sense. There are those, however, who are concerned that from the get-go, we're over-militarizing a beautiful part of the planet, let alone our own country.

Do you have any thoughts?

● (1130)

Prof. Stéphane Roussel: There are many thoughts on this.

The first one is that over the short and mid-term, there are no alternatives. We have to realize that these guys know how to operate in that region; they have all the assets to be there. No other department can do the same, except maybe the Coast Guard, and the Coast Guard needs to be beefed up a little bit. So, yes, in the short and mid term.

In the long term, if we develop the Arctic—if there is more infrastructure, if there are more communication lines, and if there are more places where other departments can set up and organize their own activities—it could be changed. The Canadian Forces would gradually leave the place to other departments.

But there's a downside when you're talking about the militarization of the Arctic. There's a little risk here, and we have to manage it. When I'm travelling in Europe and speaking with my European counterparts or with foreign diplomats, they always scratch their heads and ask “Why are you Canadians acting like this? Why are you militarizing the Arctic? You are the most aggressive. You are the one who started the arms-race spiral here”. So there is a danger.

The message the Canadian government has to convey at the international level is that it is legitimate, there's no alternative, and we're not aggressive. I mean, it's not Canadian to say that. So there's a risk to manage here. Also, we have to design some plan in the long run to make sure that other departments will be present, and will act and perform their duty without relying on grey ships or on military aircraft.

Mr. David Christopherson: Excellent, thank you for that very thorough answer.

Admiral Garnett and Mr. Bercuson, if I can ask you questions. Admiral, you ended your presentation by saying, “All of the above being stated, there is, however, a need to have a defined set and scope of capabilities at sufficient readiness to deploy. Otherwise....” and then you go on. That sort of speaks to the heart.

We have two pieces to this. The first is what we want the military to be ready to respond to, and the second is, having set that out, what pieces need to be in place to be able to achieve those goals. For everything we get, we have to keep boiling it down to that point. The domestic one is somewhat obvious, although complex, but obvious in its answer in terms of our needs. The real question, and where the political divide, if you will, may happen within our Parliament, is on the expeditionary forces aspect.

In both of your minds, give us your thoughts on what international commitments you think are an absolute priority for us. Be as specific as you can. I realize that's difficult, but what would those be, accepting that we can't be ready for everything for everybody?

That is just not possible. The whole idea of Canada having a standing armed forces that could respond to anything in the world, unilaterally, is just not on. Therefore, the question is what pieces are paramount to ready for? Give us your thoughts on what international pieces are must dos.

VAdm Gary Garnett: David, do you want to answer that? David's a political scientist.

Prof. David Bercuson: No, I'm not. I'm a historian, Gary. Come on.

First of all, I totally agree. You can't have a military designed to do everything, and I think our very best example is the Americans themselves in January 2012. They're very clearly responding to the economic reality by redesigning their own military to be a lot more specific in terms of what they can respond to.

There are two answers to that question. One is, what strategic interests do we have that are so vital that we would contribute to an international military force of some kind? One has to think about certain sea lane choke points, for example, and one also has to think about the extent to which we can actually make a contribution. I'll give you a concrete example. The Strait of Hormuz is as important to Canada as it is to the United States and about half of the rest of the world, for obvious reasons, but do we have a capability to operate in the Strait of Hormuz? And is there anything we could do there that would actually add to efforts to keep the strait open?

We could talk about certain passages, for example, into the Caribbean—the Windward Passage, the Mona Passage, and so on. We declared the Caribbean to be a pretty important Canadian national interest over the last 10 or 15 years. Do we have the capability to operate in certain areas of the Caribbean, should there be some political threat arising from within? I would say the answer is we have a lot more capability there than we do in the Strait of Hormuz.

Then, another one is this. What do the people of Canada think about something at a particular given time? An issue that may not be on the horizon today will all of a sudden catch the public interest and the public will demand some kind of response from the government two or three weeks from now. And who knows what that might be? For example, nobody could predict 9/11 a week before it happened and yet the Canadian response after that was a fairly strong one.

I think what we haven't really done in this country is say, these are vital Canadian interests and we're prepared to take part in international operations, whether they're UN, NATO, or whatever they are, because they're key to our requirements. I think they have to do with the lives of Canadians. They have to do with the ability of Canadian enterprises to do business in important places overseas, and I think they have to do with certain aspects of what we'd call international morality and the maintenance of certain norms—a responsibility to protect, if you will.

I think we need to try to boil those things down in ways that have a practical reflection on how we design our military, and what our military should be for. I don't think we've done a very good job of doing that. We knew in the Cold War what our military was for, and then for the last 20 years or so I think we've been wandering around and not really making a significant effort to design a Canadian strategy or a Canadian defence policy.

● (1135)

The Chair: Time has expired.

Madam Gallant, you have the floor.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Dr. Bercuson, you wrote a report titled, “In the National Interest: Canadian Foreign Policy in an Insecure World”. In this report you accurately predicted that the Arab situation would develop, and it did present itself as a future hot zone. You mentioned it was suffering from critical underdevelopment, along with a dangerous combination of incendiary conditions. We certainly saw this region turn into a hot zone with the emergence of the Arab Spring and the NATO-led mission in Libya.

Looking at global conditions, what are some of the other threats, both conventional and unconventional, facing Canada?

Prof. David Bercuson: First of all, I probably didn't write that part of the report.

Voices: Oh, oh!

Prof. David Bercuson: Seven people, I think, contributed to it.

As a historian, I adhere to something called “Bercuson's iron law of history”, which is that nothing much ever happens until it does, and when it does, it usually happens very quickly, and it is never predictable.

I think when you're talking about long-term unemployment, poverty, degradation, etc., and the rising expectations that come out of the global revolution in communications, there's always going to be pressure on governments that are non-democratic and are pushing down the aspirations of the people in that society. There's always going to be pressure for some kind of social, political, quasi-military explosion.

I'm not an expert on Africa, but I see many areas in that part of the world where not only do we have ongoing military conflict right now, but we will continue to have it. My own problem with it is that I don't know the degree to which we are capable of intervening in it, and whether or not we ought to intervene in those parts of the world. It's not that some parts of the world are inherently more important than other parts of the world, but there are places where we can do better, where we can reach, where we have allies, and where we have the logistical support we need in order to operate.

We have to remember that we always need to operate in a coalition. We've never not operated in a coalition. I think in the War of 1812, as we all know, the Brits were here too. We've never not operated as part of a coalition. It's very important to make sure that the partners we operate with are ones who are there and who can deliver the logistical support and whatever else is necessary for us to operate.

That's part of the problem—we just don't have the capability on our own to plan, because we're not a prime mover in this. I think we have to decide more how we are going to respond when our allies move, which campaigns we're going to join and which ones we're not going to join.

It's probably not a good answer to your question, but other than trying to predict when the next Arab Spring will happen and where it will happen—which I don't want to do—that's the best I can do.

● (1140)

Mrs. Cheryl Gallant: So what should Canada do that we've not already been doing to be prepared for these potential threats that we may or may not get involved in?

Prof. David Bercuson: I think the lesson for Canada is that the ability to project our military power abroad has always been very important to Canada politically, and to a certain extent, economically. I could go right back to how we won our independence as a nation in the First World War. I could keep going, but I'm sure you're all very familiar with it.

The question is how much can we contribute, and what do we get out of it? As to how much we can contribute, I think it's the military's job to try to make sure we have forces that can be deployed, whether army, navy, or air force—not huge forces—that are in keeping with our role in the world as a major trading nation with a high standard of living and so on. I think the political level has to decide the other part of the question: where do you deploy, and where are Canada's national interests?

Those kinds of rules, if you will, have not really been laid down very clearly. As I said, it's very difficult to make defence policy in Canada, but I don't think we've had a lot of defence policy-making in this country for a long time. And I would cover two governments with that.

Mrs. Cheryl Gallant: Dr. Bercuson, you have written that the world that Canada knew between 1945 and 1990 is gone, so what does this new world look like? How have the threats that face Canada changed with the turn of the century?

Prof. David Bercuson: We didn't have to do a lot of thinking between 1945 and 1990. We knew where the bad guys were. We knew what they we're going to do, more or less. We knew what we had to do to respond to them, and we knew what all our allies were going to do. The rules were all written. We didn't have to do a lot of strategic planning, if any, although there was some strategic thinking that was going on in NDHQ about all kinds of things at the time. Basically, we fit into a slot, and there we were.

That world changed dramatically in 1990, and it's still changing. So, even though we are part of the Five Eyes, part of NATO, share defence with the United States, operate within the United Nations, and so on and so forth, we have a lot more room to manoeuvre than we did in the period of the Cold War.

I think we have to do a lot more thinking about what our place in the world is than we had to do back then, because our role has not been predetermined to nearly the extent that it was during the Cold War period. We can disagree. We can tell the Americans we're not going to participate in that operation, but we are going to participate in this one. That would have been inconceivable during most of the Cold War. I think that our ability to act more in a Canadian national interest, and less in an interest in coalition with our allies, is much greater today than it was in the past, and much greater today in 2012 than it was in the past.

When you look at what the Americans are projecting for their own military, it leaves a vacuum that we can help to fill or not, depending on our own national interest. Again, that leaves more room for us, if we choose to exercise the greater degree of freedom that we have.

● (1145)

Mrs. Cheryl Gallant: It has been suggested to our committee that, with the ending of the Cold War, we should go back to the spending limits we had previous to the Cold War. Do you think that's logical?

Prof. David Bercuson: I'm not sure what that means. We spent different amounts at different times on the Cold War. There were times in the Cold War when we were spending 7% of our GNP—as we called it at the time—on military, in 1955, 1956, and 1957. We were spending 40% of the budget on national defence back then. There's absolutely no need for anything like that today.

Mrs. Cheryl Gallant: What about pre-9/11? Should we go back to those spending limits as well?

Prof. David Bercuson: I honestly can't remember what the spending limits were. I've always been leery about saying that we need to set our limit as a given percentage of the GDP. I don't believe that either. I think our spending has to be determined by what our political requirements are, and you have to make political decisions as to what sort of a military you want and what it's capable of doing, and then you fund it. Whatever it costs, it costs.

People will talk about how we're only spending 1.1% of GDP today, whereas we were spending 1.3% before. Turkey's percentage of GDP spent on defence is much higher than that of the United States, but that doesn't tell you that Turkey's armed forces are more powerful than those of the United States. So I'm not really sure what that number measures.

The Chair: Thank you. Your time has expired.

Mr. McKay, you have the last seven minutes.

Hon. John McKay (Scarborough—Guildwood, Lib.): Thank you, Chair.

This is a particularly rich panel. Like others, I feel we could be asking questions all day long. Let me focus on Professor Bercuson, and then ask the others to chime in as appropriate.

My first question has to do with post-Afghanistan learning, Five Eyes versus NATO, and the utility of NATO. Some fight, some don't. Some say they'll fight, some won't, etc.

I'd be interested in your thoughts with respect to the emergence of Germany as the key country in the European Union. It's pretty obvious at this stage that the Germans, if not calling the shots, are certainly a major influence on all nations' budgets, including the French and other major NATO allies.

I'd be interested in your thoughts as to how you see that going in the near term.

Prof. David Bercuson: It reminds me of somebody who said, way back when NATO was being formed, that the whole point of it was to keep the Americans in, the Russians out, and the Germans down.

That's certainly not the case anymore.

It's an anomalous situation because they do have extraordinary economic power for obvious reasons, but their military capabilities don't match their economic power. Further, you've already seen the beginning of some significant cuts in the German defence budget, and we're going to see more significant cuts in the German defence budget.

I think that Germany today is not in any way the nation that it was in 1945. This is a thoroughly democratic modern country. It's one that I'm glad we have a partnership with in Europe, and I think we need to try to expand that partnership as much as we can, recognizing that they have certain geostrategic problems that they have to deal with—like where they get their natural gas from, which is Russia—and they have the other sorts of economic issues that they have to deal with, which I think are fairly obvious and I don't have to go into here.

The other thing I've found—because my university has an exchange agreement with the German equivalent of the Royal Military College and we get students coming to do their graduate degrees at the University of Calgary from the German armed forces and so on through other exchange agreements—is that the extent to which pacifism has taken root within the German people is something that we, in this country, really do not understand. We complained during our active involvement in Kandahar that the Germans were not getting more active in combat operations, but as for the Germans, the whole issue was whether they were going anywhere near Afghanistan, let alone getting involved in combat operations.

Hon. John McKay: When you project it on a geopolitical basis, it's an interesting question. I think it's probably a question that hasn't actually been faced squarely because of the budgetary pressures on all of us, including, say, the U.K., which is just really taking a hatchet to their military budget.

My secondary and related question is about Putin. He is becoming quite bellicose, and do you think that is just a politician sounding off at election time, or is there actually some substance to it?

● (1150)

Prof. David Bercuson: I'm not an expert in Russian affairs, but it worries me because we talk about the potential of China, but for Russia, it's not potential. They have thousands of nuclear weapons, they have nuclear delivery capabilities, and they have expeditionary capabilities. It may be that he's simply playing to his base, as he sees it, going into this election, and playing the role of the Czar, the Russian nationalist, and so on.

I just don't know enough about Russian politics, but I do know that it's a potentially dangerous situation, a potentially unstable situation.

Hon. John McKay: Pivoting, literally, it's clear from the Obama administration document that they've rejigged their thinking with respect to their orientation to the Pacific, and we had an admiral here last week at the Conference of Defence Associations, and he was talking about going from 55% of their fleet to 60%, or 50% to 55% of their fleet, oriented to the Pacific. He talked about things that you talked about. We don't control the Strait of Malacca and things of that in nature.

My sense is that it puts pressure on our own navy and our own military thinking in that we may have to, in effect, follow from being an Atlantic-oriented nation to more of a Pacific-oriented nation.

To both Admiral Garnett and Professor Bercuson, how do you see that strategically, and how do you see that operationally?

VAdm Gary Garnett: I think it's clear. David held up the U.S. document that they published in January, which says exactly what you've said, that they are shifting their main focus to the Pacific, albeit 40% or 45% residual U.S. forces—that's considerable—remain within the Atlantic and the Atlantic environs. But they do also say they're withdrawing more forces from Germany.

You might well ask yourself why they are still there. That's another question. Partly they're there for sustainment and infrastructure to support their forces in Afghanistan and elsewhere. They have a big footprint in Germany, with hospitals and infrastructure bases.

I think the shift to the Pacific provides an opportunity for Canada and the Canadian Forces to get more involved in what is becoming more the centre or the nexus of world power. David mentioned that in the mid-nineties, we actually had Canadian frigates—for the first time for any country—not just joining U.S. naval battle groups, but actually becoming integral to the battle group. In other words, a U.S. ship would leave when a Canadian ship joined. We were provided with the communications command and control, and information infrastructure to act virtually as a U.S. unit.

Why did the navy do that? The navy did that to upgrade, or to uparm, ourselves to become a much higher level navy with that kind of capability and training by being part of the U.S. navy.

I think that has carried on in an even bigger sense in that in this coming RIMPAC, a Canadian admiral is the deputy commander of the entire operation. Australian admirals have done the same as well. So here we have a situation where in Afghanistan, Canadians have commanded U.S. forces—nobody else ever has—and at sea we have Canadians, and Australians in this particular case, commanding U.S. forces in the Pacific.

It's an opportunity, and it's one we're suited for. Our airplanes are now taking part in these operations in the Pacific, as are our army units. There's opportunity there, there's capability to do it, and it raises the profile of Canada in that global area.

Hon. John McKay: I just wondered whether Professor Bercuson had anything additional to comment.

The Chair: It's going to have be a very concise statement, because his time has expired.

Prof. David Bercuson: We've been an Atlantic country since our founding as colonies, French and British. What we need to understand is that the largest source of immigration to this country today is Asia. When you combine that with the new trading patterns that are emerging and our attempts to get into the Trans-Pacific Partnership, etc., there has to be a reorientation of the country to the west.

● (1155)

The Chair: Thank you.

We're going to go to our five-minute round, and I'll just ask witnesses to keep your comments as brief as possible so that as many questions as possible can be asked.

Mr. Opitz, you have the floor.

Mr. Ted Opitz (Etobicoke Centre, CPC): Thank you, Mr. Chair.

I'll direct my first question to Professor Roussel.

I'd be interested in your comments on what you think the non-Arctic nations' real interests are in the Arctic, if you can elaborate on that.

Prof. Stéphane Roussel: There are different perspectives on it, but some, especially the European states, are framing the issue in terms of the environment. They're saying that we must manage the environment of the region, because there are some global effects. I don't know to what extent they are using it as an instrument, or whether it's a genuine concern for the environment.

Some other states could be interested in it. Spain is an example. It's surprising to find Spain as an observer at the Arctic Council, but the reason people in Spain are interested is because it's basically a fishing country. The fishery is an important part of their economy. If the fish stocks are moving to the north, which is possible in probably 40 or 50 years, they will have a strong interest in keeping it open and in reducing, as far as possible, the rights of the coastal states, to make sure that they have access to the resource.

You can say the same for some resources. Now it's a big “if” in the sense that we still don't know the map of the ocean floor. We're not sure exactly where the borders or the exclusive rights finish. Some states could have an interest in using the resources that are there. Other states, and my guess is that China is among them, could say that the Arctic will be a very interesting maritime sea route for maritime traffic. They want to keep it open to exploit it as a maritime sea lane. This could be another reason why they want to be there.

In general, we can say that there's a feeling, a sort of reaction, that they don't want to leave these five coastal states, or these eight Arctic states, with the exclusive right to manage the region. They want to be part of it, not because they have a specific interest there, but because they just want to keep their options open for the future.

This is why there's a broken line between some Arctic states—I say some Arctic states, because Denmark is not very active in that debate—such as Canada, Norway, and Russia on the one hand, and non-Arctic states, whose interests are clearly in conflict here. Some of them, such as Canada, want to keep more control over it, and non-Arctic states want to reduce that control.

Mr. Ted Opitz: In the medium to long term, do you see some resource-based conflicts developing between Arctic states and non-Arctic states?

Prof. Stéphane Roussel: I don't see conflict, as some people are saying, such as a war or the use of force. I certainly don't see that. There's no reason for that to happen.

Exploiting these resources will involve a lot of investment, and those who are investing don't want to put their investments at risk. If there's a conflict, it will be an economic conflict. It's going to be an economic clash, but it certainly will not be an open conflict or an open war. I don't believe the very pessimistic scenarios that the Arctic is like the Africa of the 19th or 18th centuries, when every great power tried to take its share. I don't see it like that at all.

There will be some competition over investment, and over who is ready to exploit the resource. Russia seems way ahead of the others, but since their infrastructure is aging, I don't know if they will keep that position for a long time.

Mr. Ted Opitz: Some of that was echoed in Stockholm when I was there with Mr. Bevington, who was my partner at that Arctic conference. Your comments are very interesting.

Russia itself, I know, has been there since Soviet times, and they have had a huge presence in the Arctic, and I think it's fair to say militarily, as well.

Mr. Battiss, actually I want you to weigh in on what you think NATO's interests are globally in the Arctic.

[*Translation*]

Mr. Samir Battiss (Lecturer, Canada Research Chair in Canadian Foreign and Defence Policy, Université du Québec à Montréal): Certain NATO member states would like to raise the issue of the Arctic within the organization. The conversation is not about war or anything of the kind. Actually, NATO is now moving beyond military and even political issues. Stéphane and I have written that it would be inappropriate for Canada for this subject to be addressed within NATO because Canada would be in a minority position.

I would also like to add that behind every non-Arctic European state is the European Union, with which Canada is conducting or has completed economic negotiations. Consequently, this may also be an opportunity for Canada to raise fisheries issues and other present and future economic questions in the Arctic.

NATO, as such, remains solely a forum for discussion on environmental, Arctic and energy issues. It has no prominent role for the moment. A new division on emerging changes has recently been created, and one section is entirely dedicated to energy issues. Some day, in 10 years, the issue of energy in the Arctic may be addressed within NATO. That is possible.

● (1200)

[*English*]

Prof. Stéphane Roussel: On NATO, one reason why NATO is talking less about the Arctic now than was the case two years ago is that the bell-ringer was Norway. Norway kept saying that the Russians were interested in the Arctic and it was a danger for them. Since they solved the conflict with Russia in September 2010, I think, now it's less urgent and they are ready to downplay it. Canada is opposed to having NATO involved in the region. The other motivation is less important than it was before.

[*Translation*]

The Chair: Thank you very much. Your time is up.

Ms. Moore, you have five minutes.

Ms. Christine Moore (Abitibi—Témiscamingue, NDP): I would like to take advantage of Mr. Battiss' presence to ask him a few questions about the concept of smart defence, which Mr. Lagassé, the researcher, told us about. The idea is to allocate certain types of operations among NATO's member armed forces based on their respective specialties, if I may put it that way, so that NATO is capable of responding to all types of operations, or at least the majority of them. In that way, we avoid the situation where one country is incapable of managing on its own. People are realizing that it will be increasingly difficult financially to maintain all these types of operations, even for the United States.

Do you think it would be desirable to move toward that kind of concept?

Mr. Samir Battiss: I don't know whether it is a good idea or a bad one. I am always somewhat reluctant to use the smart defence concept. It presupposes that we weren't doing anything smart before that. It's always a bit difficult—

Ms. Christine Moore: Let's disregard the name.

Mr. Samir Battiss: The concept of mutual support is more appropriate. Whether it is a good or a bad idea is not the question: I believe it's a necessity. The operations in Libya revealed, in particular, that only a few players among the member states, and they included Canada, were capable of providing a sustained effort. The smart defence idea has its equivalent within the European Union. I'm talking about the European Union because the majority of NATO states are European.

It's mainly in response to pressure by Canada and the United States that the Europeans are being led to engage in smart defence. They're doing it as part of what they call pooling and sharing, a concept already slightly more advanced than smart defence within NATO. It was adopted by the European Defence Agency, among others. The Europeans had to consider the mutual support concept, because, on their own, they did not have the capacity to plan an operation from start to finish. Only two NATO countries are really capable of doing that: France and the United Kingdom. And even they currently find it very difficult to do so.

Mutual support is a necessity. It's a good idea if you want to maintain a NATO that is capable of operating where it has to operate and where political leaders decide that it must. If I may take the liberty of making this comment, I would say that thinking has gone much further within another institution, outside NATO, which represents both the allied countries and NATO partner countries. I am talking about the Multinational Interoperability Council, in which Canada plays a very important role. It is doctrinal thinking in this case. Smart defence entails both a doctrinal aspect and a tactical aspect. The contributing countries include Canada, the United States, France, the United Kingdom, Germany, Italy, Australia and New Zealand. There are also observer states. NATO is represented through the Allied Command Transformation. Its staff and the European Union are also represented on it.

For a number of years now, that institution has been considering this mutualization issue, that is to say the concepts of pooling and sharing and smart defence. As we have noted several times here, no state is capable of conducting an operation on its own. Coalition operations are therefore the rule. However, from the moment coalition operations are conducted, there is necessarily a pooling of capabilities. This is also a budgetary necessity, but not uniquely. Among other things, there are various types of knowledge scattered here and there. The Chicago summit should provide a little more impetus in that direction for all allies.

● (1205)

Ms. Christine Moore: When we began addressing this concept, we talked about the appropriate moment when discussions on the subject should go forward. We said that now was the ideal time, while a number of countries were involved in budgetary restructuring and major purchases. That is the case for Canada as much as for other countries.

Do you think now is the ideal time to do that, to move toward that concept, before making purchases that might not necessarily prove useful in view of the new vision we adopt?

Mr. Samir Battiss: Absolutely. I entirely agree.

This is the ideal moment since we are at a time when the polarity of the world is changing. The western nations—if we can use that term—have lost the ability to decide global affairs on their own. Consequently, based on what the western countries, as well as NATO members and their allies, want, we will have to see what we can do and what we want to do politically and with what equipment. At that point, we will be able to pool certain capabilities and know-how. We must not forget the know-how.

The time is right, and I suppose this will be launched at the Chicago summit.

The Chair: Thank you very much.

[*English*]

Mr. Chisu, you have the floor.

Mr. Corneliu Chisu (Pickering—Scarborough East, CPC): Thank you very much, Mr. Chair.

Thank you very much to the panel for these very good presentations.

I just want to state a couple of facts. We have the second-largest country in the world, after Russia. Only 2% of Canadians ever cross the polar circle, and 90% of the population lives 100 miles from the border.

Dr. Bercuson, you are an authority on history. You outlined the role of the military engineers in building Canada during the years of this country's formation. Today we have, besides the three elements of sea, air, and land, the added fourth dimension of threats, which is cyberspace. This is a new element that is completely distinguished from the situation of the Cold War. Then, the preoccupation was to secure airspace, to secure land, to secure sea, and so on. Cyberspace is now the new threat.

How do you see these new elements influencing our force's readiness, and what would be your advice for us, especially from the point of view of lessons learned from history? It is very important, when we have seen that one of the main preoccupations of our Fathers of Confederation was to connect the west coast with the east coast. Now we have the huge Arctic with a lot of potential, economic potential. Usually economic potential attracts a lot of interest from other people who can influence, let's say, our sovereignty and our security in some way.

Can you elaborate on this new, or virtually new, threat, and on how we should be ready to deal with this new issue? It's completely different now from during the Cold War.

● (1210)

Prof. David Bercuson: Obviously the technologies that began to develop in the seventies and eighties have reached a point now where there is a new element. My Beta VCR flashes 12, so I really don't understand any of this stuff. But what I do understand is the capability, because we're seeing stories in the news all the time about the capabilities, and the capabilities are clearly not only to conduct espionage via the Internet but also to shut down operational capabilities and to very definitely influence the way militaries conduct operations.

I have two concerns. One is that there are too many.... I'm not an expert in this. I was once on the Advisory Council on National Security in Canada, and I remember at the time being very worried about the degree to which we were prepared for cyber-attack. I thought there were too many silos in this city. I still believe that. I don't know what's going on inside the closed doors of CSIS, CSE, and whatnot, but I know that bureaucracies tend to create silos, and intelligence bureaucracies no less than anybody else. The major issues in intelligence are really never in the gathering; they're in the analysis and the comparing of information. So I worry about that.

I also worry about our ability to stay current with our Five Eyes allies and I am told—this may be untrue, it may be a rumour—that they are less and less inclined to work with us because we eschew any desire to develop offensive cyber-capability, which they are all doing. The Brits are doing it, the Americans are doing it, and the Australians are doing it. The idea is that deterrence works. If you want these people to stop attacking your systems, they need to know you're going to attack theirs, and apparently, our country has decided this is not something Canadians do.

Now I don't know if it's true, but if it is true, that worries me as well. So in terms of the cyber, those are really the only two things I have to say about it.

Mr. Corneliu Chisu: Okay, thank you very much for your explanation. I will return to the Arctic for a little bit.

The Arctic is a great area where we don't have a big presence, because our population is very small in comparison with other countries like Russia or something. What do you suggest we do in the Arctic? It is not enough that you are sitting at the table, when you don't have capabilities. Germany used to have the former Chancellor Schröder who became the vice-president of Gazprom to supply the gas for Germany.

What are we doing? What should we do? What is your opinion on being ready, on defending our sovereignty, defending our security, and assuring we are in complete control of our Arctic, as a nation?

The Chair: Mr. Chisu, your time has expired.

I ask that you make a very quick response.

Prof. Stéphane Roussel: It's a complex question.

First let me say that I don't see our sovereignty really at risk in terms of territory. No one has tried to steal Canadian territory, so the question is not there. It's much more, first, a question of symbols, and symbols are much cheaper than actual real defence. If we can just send ships and patrol from time to time, it certainly helps.

The real challenge is that the Canadian government must perform governmental activities in this region. The more people we have there, the more you need to enforce the law to make sure people are safe, and to make sure you are in control of what's happening there. So to keep the capability we have, we have to develop the infrastructure, because it's empty. These four million square kilometres are empty, in terms of infrastructure. We have to continue the pace.

What I don't want to see is what we did in the seventies, eighties, and nineties, when we completely neglected that region, and now we have to recreate an expertise in that region. So my advice is to at least keep what we have, and that's why in my presentation I asked you as a committee to make sure the government will keep its promise on the Arctic.

● (1215)

The Chair: Thank you,

Mr. Kellway, you have the floor.

Mr. Matthew Kellway (Beaches—East York, NDP): Thank you, Mr. Chair.

Through you, to our witnesses, thank you very much for coming today. Everything that you've had to say so far today has been of great interest. We've been at this readiness study for some time. Increasingly, I'm concerned that we embarked on a study that is going to turn out to be, frankly, a monumental waste of our time.

That concern is heightened today when we have an expert panel before us, and Professor Bercuson started off by saying that you're not even sure what the term means, and Professor Roussel suggested that it doesn't have a translation into the French language.

I recently came across something that I found interesting and helpful in, of all places, the *Australian Journal of International Affairs*. A couple of academics have put together a methodology for getting to this issue of readiness. I think they defined it as capabilities, and what we are engaged in here is a kind of capability assessment.

In the study—I'm simplifying this probably unfairly to them—what they identify is that before you can even get to the question of capability assessment, you have to deal with the issue of identification. I guess it's threat or, in their terms, they prefer to look at it as vulnerabilities. From that assessment, one goes into a risk assessment. Then you can start talking about readiness.

All of this seems to suggest to me that we've leapt a couple of steps ahead in this study, and we need to go back and think more carefully about the threats or vulnerabilities, and the risks that those pose. It's a quantification or even a qualification of those risks.

My question for you, after that long preamble, is really one of methodology. I'm not asking you about the risks themselves, but in light of your comments—especially yours, Professor Bercuson, and your iron law of history—how would you recommend that we go about getting at this policy issue? I think it's the policy issue that's looming large here. How do we go back and start this again to get to that capability assessment?

Is there a method, Professor Bercuson and also Professor Roussel, that we should be looking at or that the government should be employing to get us to a point where we can have a sensible discussion about capabilities?

Prof. David Bercuson: There are limits to what you can do with policy, because all governments react to public opinion. They react to the spur of the moment, and so on and so forth. Also, I think academics tend to overplay policies, because academics think they can have a role in making policy, so obviously policy then becomes important to them.

I'm not sure that what we're looking for is policy. I think what we're looking for is a set of principles, for example. I mean, one of the sets of principles that I still think holds great value for Canadians was laid down by Louis St. Laurent in 1946. When he talked about what role Canada should be playing in the world, he talked about the importance of national unity as one the main goals of Canadian foreign policy; he wasn't talking about defence policy.

I think we can revise those principles that St. Laurent laid down so long ago, and we would probably find today that we're not going to arrive at principles that are very different from what he did at the time. For example, how important is it for us to intervene in a situation such as Libya? And if we're intervening in Libya, why aren't we intervening in Syria? Well, half of it has to do with capability, and half of it has to do with what other nations are doing, but how important is it for us? Why is the Caribbean an important place for Canada while the Mediterranean, let's say, is not so important for Canada?

I think these are things we can do. I think these are things we should be doing. I think the government should be taking the lead on it but also listening to Canadian people and Canadian business to see if there is a general consensus on certain issues. You won't find complete consensus, obviously, but I think it's important that Canadians have to basically agree on something in order to support any kind of an endeavour—either short- or long-range endeavours.

I think part of the lesson that we need to learn from Afghanistan is that people went off in all different directions for all kinds of reasons —some of which Jack Granatstein and I studied in a publication that we issued last fall—so we didn't get national unity on the question of Afghanistan. We didn't even get significant consensus on the question of Afghanistan over a period of time, so policy tended to go off the rails.

I think what we need to try to do is identify those things that most Canadians would agree on and say, “This is in our national interest, this meets our values, and it's part of who are to do this.” Then, when we have a set of principles together, I think we need to try to measure whenever international crises arise, whether or not we're prepared to follow through.

If you call that a policy, okay. I just call it basically a shopping list, more than anything else, but I think it needs to be there, because I think that right now there isn't anything out there that's very clear.

● (1220)

The Chair: Thank you.

Your time has expired.

Mr. Matthew Kellway: Can I get a quick response from Professor Roussel?

The Chair: Only if you can respond very quickly, Professor, because the time has expired. You have 30 seconds or less.

Prof. Stéphane Roussel: The first point is that, yes, there is a science called risk management. I mean, we define it by your vulnerability, the cost to recover, and the likelihood of events. You can make some very weird calculations, but I'm not good at it.

Second, if you want to predict the future for Canada in terms of risk and in terms of budget—we've mentioned the defence budget before—there is one single variable you can use. It is the United States. The Canadian budget always moves in the same direction as the U.S. defence budget. It's magic. It's the same thing. The U.S. is calling the shots when it's about threat, so it's depressing for you and it's depressing for us. I prefer to put it aside.

Third, I'm going the same way as David in saying that in Canadian society there are some elements of consensus and basic values that we want to keep. It's not necessarily economy, or prosperity, or a tangible thing, but there are also some basic principles that we want to follow.

It is part of your job to identify what we want to protect, not only in terms of prosperity and material protection but also in terms of the values that society wants to protect. This is part of your job.

The Chair: Thank you. We're well over the time. Even though Mr. Kellway feels that he might be wasting his time, I can tell you that your input today has been very valuable so far.

Mr. Norlock, you have the floor.

Mr. Rick Norlock (Northumberland—Quinte West, CPC): Thank you very much, Mr. Chair, and thank you to the witnesses for being here.

I'm a very practical person. I like what the professor just said. Mr. Garnett comes from an area of Canada that I came from, where you do what you're told. I was a policeman and he was in the armed forces, so we do what we're told and we manage the budgets we're given.

I truly believe that you either use it or you lose it. We have something very precious in this country called the Arctic, and as you rightly pointed out, Mr. Roussel, if we're not there doing something, while other countries may not claim part of Canada as their country, they will say we don't have any business telling them whether or not they can put their ships or whatever through, or whether they can drill for resources. You begin to lose your control if you don't use it.

Using it, we're not going to be able to move massive parts of our population there, but the tiny example I use for high school students is the fact that 20 years ago Canada produced zero diamonds or just about, and today we're one of the world's largest producers of gem and industrial-quality diamonds, most of which come from the north. We know the north is probably very rich in natural resources.

Wouldn't you say that it is in our national interest and public opinion would be positive towards it, and one of the ways is to begin to seriously look at the use of our God-given resources in the north and use our Canadian military with their experience in operating in a harsh atmosphere? Perhaps we could start with a few comments on that from Mr. Bercuson and Mr. Garnett, and then have Mr. Roussel finish off. Use it or lose it. Should we be speeding up our exploitation of natural resources?

● (1225)

Prof. David Bercuson: I think we should be strengthening the civil institutions in the north as much as anything else. We have to have a military presence in the north because the military is a signpost to everybody else that they're approaching our borders, and once they get to our Canadian borders there are Canadian laws, Canadian rules, and so on, so I agree with that.

I also agree with Stéphane that the chances of military action or a military force being used in the north are extremely remote. Certainly over the next 20 years we won't see it. I think what we need to focus on more than anything else is building infrastructure there and helping the local population develop and that's it. I think we have a limited military role in the north at the moment.

Mr. Rick Norlock: Thank you.

Would you agree?

VAdm Gary Garnett: Yes. Presence is part of sovereignty. Presence means transportation, communication, and infrastructure. I think we can encourage industry to do more there, but within a very careful set of guidelines—that they employ local people and that they build infrastructure for the common good. A set of guidelines needs to play in this game, and you can't make rules without being able to understand when people break them, so therefore, we need to have a capability to know what's going on in the Arctic and then a capability to do something about it. We want to use rangers and as many local people as we can as part of that.

Prof. Stéphane Roussel: I suggest maybe we should avoid that expression, use it or lose it, because there's a problem with it.

The Canadian position regarding the Arctic says this is ours because we have been using it for thousands of years. If you say use it or lose it, you imply we're not using it enough to support our own claims.

Mr. Rick Norlock: Maybe we should say use it more.

Prof. Stéphane Roussel: Okay. Put it like that.

Second, somebody will use it for a private company, people do sports and things, so yes, some people will use it, and the Canadian government has to be there to manage all these activities, as I've already said.

The problem with the question you raised, and it's a debate that we don't yet have in this society, is how we want to use it. There are different perspectives on it. We could be asking whether we want to put the environment or economic viability first. How do we want to address all these issues? I can predict a lot of harsh debate on this. Everybody could agree that, yes, we have to be there, but how we want to be there is a totally different question.

Even aboriginal groups debate this. There are differences in the regions of Canada. Quebec differs on this question from other parts of Canada, so this question won't be solved very easily. I have just started to work on this. Give me a couple of years to answer the question.

Mr. Rick Norlock: That's the part you've mentioned—risk management. Do we want to keep people in the north and have them rely totally upon government, or do we want them to rely, like the rest of Canada, on a combination of services and private enterprise as a way to grow the economy?

I mentioned diamond mines on purpose, because they actually employ local people. They grow the economic base of the community, rather than having government dictate. Everybody works for the government in one way or the other, because they're the only people who are doing anything about the economy in the north. That's not a very good way to run a country, and that's why you have to have an economic base, an economic reality.

There's only so much ecotourism and those other things, and development need not be counter to the environment. You can use the best practices known to human beings to develop the resources that are there, create the employment, the economic viability, and then we won't have to talk about Arctic sovereignty—it would just be there. Would you not agree?

The Chair: Mr. Norlock, your time has expired.

If you want to do a quick rebuttal, go ahead.

Prof. Stéphane Roussel: In the short term, in the mid-term, I strongly suggest that we have a strong governmental presence there, just to establish the patterns, then we'll see about the future. But for now we definitely need a lot of governmental assets in that region. We can't escape that responsibility.

● (1230)

The Chair: Thank you.

[*Translation*]

Mr. Brahmi, you have the floor.

Mr. Tarik Brahmi (Saint-Jean, NDP): Thank you, Mr. Chairman.

I would like to continue the discussion.

Mr. Battiss, you touched on the question of the Multinational Interoperability Council, the MIC. It is quite an interesting topic, one that we have not discussed to date. Could you expand a little on the question and tell us how that association of countries could be an alternative to NATO?

Mr. Samir Battiss: It isn't an alternative to NATO. I simply mentioned the institution. That institutional body, based in Norfolk, engages in doctrinal thinking. It is a member of what I consider the most advanced military nations in the areas of technology, know-how and conceptual and doctrinal thinking.

NATO is an observer for the moment. As it is located in the same place, in Norfolk, it takes part in the Allied Command Transformation, in particular. It is simply a group that goes further in its thinking than the member countries as a whole. It reflects on future threats, military concepts that should be developed in the area of logistics and operations, and everything an operation entails. Generally speaking, it is strategic and operational thinking. The leadership of the organization, which was founded around 1999, is American.

Mr. Tarik Brahmi: Could that organization result in a closer alliance than NATO, particularly in operational terms? Politically speaking, we could definitely include 75 or 100 countries in NATO, but, from an operational standpoint, the Libya example showed us that there were actually two leaders, France and Great Britain. Five countries that took part in that mission were more followers than leaders. In addition, 21 other countries did nothing or were firmly opposed to the mission, including Germany and Turkey, which are two heavyweights in terms of population.

In short, could MIC give rise to a group that, in operational terms, would be more effective and more real than NATO, which today looks more like a social club than an operational force?

Mr. Samir Battiss: Coalition operations are central to the work of MIC, which, I remind you, is a think tank at the moment. The organization's major work is a document entitled *Coalition Building Guide*. It was updated in November 2011.

They think there, but it also includes the most capable nations, the ones found in contact groups in operations like Libya.

It is really not by chance that the council isn't politically institutionalized. It is simply a strategic think tank that provides its thoughts to NATO and the European Union through their member states. It has no political future. It is not a second version of NATO. It remains an institution where people think and their thoughts are spread among the member states and observer institutions, in particular the Allied Command Transformation.

Mr. Tarik Brahmi: We are dealing with a small group of seven countries. Is the involvement of Germany, which most of the time adopts a very different position from other countries on whether to take part in operations, a handicap for the group?

Mr. Samir Battiss: I believe we exaggerate Germany's role somewhat. Germany is definitely an economically very powerful state—we talked about that earlier—but the decisions remain essentially political. I believe you're also referring to the conduct of the German government in the Libyan affair. The restrictions that German authorities sought in Afghanistan are part of the negotiations inherent in all coalition operations.

I know that that can frustrate a lot of allies, but that is the price you pay for a form of international legitimacy and credibility. Germany's presence is not absolutely harmful, far from it. The Germans have know-how that they share with the others within that institution, within NATO and within the European Union. In general, I do not see any obstacles or harmful action coming from Germany's part. The Germans have know-how that they make available. That remains in technical and strategic areas, but don't forget that the decisions are essentially political. Military advice often is not followed.

● (1235)

The Chair: Thank you very much.

[*English*]

Mr. Strahl, it's your turn.

Mr. Mark Strahl (Chilliwack—Fraser Canyon, CPC): Thank you, Mr. Chair.

Admiral, I heard your first comments about the shock you felt coming from Victoria. I am a British Columbia native myself. The tulips are coming up in the flower beds. I'm starting to tune up my lawn mower. It was about 10 degrees and sunny when I left Vancouver on Sunday. I'm looking forward to getting back on Friday already.

I was honoured to be at CFB Esquimalt earlier this month with the Chief of the Defence Staff to welcome home the HMCS *Vancouver* from their mission in Libya and their patrol on the high seas. It was good to be in Victoria. I know that the general was going out the day after that event to tour and participate in exercises on the submarine. I understand that you were vice-chief of the defence staff when the government of that day purchased the four Victoria-class submarines. Perhaps I'm wrong there.

Are you able to provide some insight as to why the decision was made to purchase the submarines? Perhaps you could give us your opinion as someone who's worked so closely with the navy as to whether you think that program is turning a corner or whether, as some witnesses have stated, it should be scrapped?

VAdm Gary Garnett: I'll provide you with a few facts and my opinion.

I was the vice-chief of the defence staff when the Liberal government decided, just after April 1, 1998, to acquire the submarines. It cost me, as the resource manager, some money that had been set aside to pay the down payment, but you know when you go past April 1, the then finance minister gleefully took the money away from me. But that's another story.

The acquisition of the Upholder-class submarines was the result of the 1994 white paper, but perhaps more importantly, there were no resources in the 1990s to build new submarines or indeed to acquire new submarines. The 1994 white paper was very clear. There were four programs supported by the government, and the third one said something to the effect that if resources could be found within the Department of National Defence to acquire a used class of submarines, namely the Upholder class, then DND should go ahead and do that.

At the time, despite the constrained environment we were in, there were sufficient resources post-white paper to acquire those submarines. There have been lots of stories about the costs and the costs since then. In effect, if we had not acquired those submarines, Canada would have no submarine capability. We were out of the game by the end of the 1990s. When you're out of the game, you're out of the game. It took 10 to 15 years to make the O-boats operational in the first case, and we had a whole bunch of Canadian sailors sailing in British Oberon-class submarines prior to that.

So if we wanted to retain that capability in a balanced navy and a balanced force structure, there was no other option but to acquire them, and consequently we did.

We all know what has happened since then. Certainly there were errors, mistakes, a terrible tragedy in the case of *Chicoutimi*. Decisions were made. Decisions were changed, and a fair period of time elapsed before Canada or DND moved forward to establish a contract with industry called the Victoria-class in-service support contract, or something to that effect, so that industry is now fully involved in maintaining the submarines. *Victoria* herself had her long refit in the fleet maintenance facility in Esquimalt, and that's happening to *Windsor* in Halifax, I believe, at this time. The Chief of the Defence Staff was on television. They had the local press on board, and *Victoria*, I believe I read in the paper today, is undergoing the complete work-up program this week, and next week she will be in the news firing weapons.

So we will have the first fully operational Canadian submarine, *Victoria*, around Easter, and I'm told we will then have *Windsor* fully operational by the end of the year.

My opinion is that we wanted to stay in the submarine game, as a balanced navy and a balanced force. There was no other way to do it. Yes, there was a period of time when things did not go well, but I certainly believe what I'm hearing from the head of the navy—that we've come through that. Industry is involved—it's too bad it wasn't fully involved before—and we have a capability into the future.

● (1240)

Mr. Mark Strahl: Can you talk about—

The Chair: Time is up.

[*Translation*]

Mr. Mark Strahl: That's too bad.

[*English*]

The Chair: Mr. Alexander.

Mr. Chris Alexander (Ajax—Pickering, CPC): Thank you, Chair.

That's what happens when you talk about your good weather on the lower mainland.

So, Mr. Chair, I've just been out in the snow and the cold, experiencing these arctic conditions.

I want to thank all of our presenters for their very stimulating contributions to our study. I have a number of brief questions, and I'm going to ask for brief responses.

[*Translation*]

Professor Battiss, you said that NATO capabilities are evolving. Could you give us a comparison between NATO's capabilities in 2001 and today with regard to readiness? What do you see, in very overall terms? I am not requesting a detailed answer, just your general assessment.

Mr. Samir Battiss: Essentially, NATO's capabilities boil down to aerial supervision and intelligence. Those capabilities are mainly put at its disposal by the member states. However, there are some major deficiencies, and the Libya operation clearly showed that, despite the fact that NATO authorities declared it a military success.

As the member noted, we saw that some countries were able to participate, while others were not. That's a real challenge that will be have to be addressed at the next meeting of the heads of state and government, which will be held in Chicago, in addition to the progress of work on smart defence.

If I had to assign a mark, I would give it a B+.

Mr. Chris Alexander: Professor Roussel, let's talk about the development of expertise in all fields relating to the Arctic. First of all, what does that entail?

You mentioned good governance, science, military capabilities and search and rescue capabilities. What is the most essential aspect in that regard?

Prof. Stéphane Roussel: There are three priorities, because they are immediate questions and problems.

The first priority is scientific research. The sea bottoms must be mapped because we need to know that environment. Consequently, the scientific research conducted, in part, with the support of the Canadian Forces must be strongly encouraged.

The second priority is a field that we cannot forget and on which we must focus. We are starting to do so, but we must go further. That is the social aspect. Northern communities sometimes experience situations of distress that we in the south vastly underestimate. One of the habits of southerners is that we transpose our fears and concerns to the north, whereas they are not consistent with the situation there. We must pay much more attention to the social and economic aspects of northern communities.

The third priority is the Canadian government's ability to determine what is going on in that region. It must know who is going into the region, who is likely to be there and whether the government is in a position to know at a specific time what is going on in a very specific area of the Arctic. That means knowledge of the area on a daily basis. That is the third element that should be developed.

● (1245)

[*English*]

Mr. Chris Alexander: I'll put my final question to our last two presenters.

Both in Admiral Garnett's presentation and in yours, Professor Bercuson, I detected a bit of tension between the idea of planning and having the capacity to participate in missions, and the ability to lead and plan in pursuit of our national interests. We all agree that coalitions are the rule now. But we have seen in Libya and elsewhere, and even at certain stages of the Afghan mission and in the ill-fated mission to the Congo and so forth, that Canadians are planning and acting before other members of the coalition are prepared to act, at least on that scale.

Give us your comments on this. How important is it for us to have this higher level capacity to plan, to have intelligence from other parts of the world, and to have a global vision now that the U.S. role is potentially diminishing and our economic role is growing? Are there implications for readiness, as Canadians, in terms of the imperative to train in joint and combined contexts, as well as at unit level within your environment?

I'd just like some general comments on that point.

The Chair: Mr. Alexander, your time has expired, so I'd ask that you be very concise in your response.

Prof. David Bercuson: I think it's a lot easier to develop the military capabilities than it is to figure out politically how you, as a coalition partner, are going to have your voice heard in the overall determination of the policy, whether it's political policy, the political objective of the operation, or the overall military strategic objective of the operation.

I think we can easily do the first, but I think we have not done the second well, and we haven't done it well since at least 1990.

VAdm Gary Garnett: I think the ability to plan and lead expeditionary or international operations ups the game, but it's not just the military. There is almost the whole of government in these kinds of operations. U.S. seagoing battle-group admirals have ambassadors on their staff. So there's a bigger picture here beyond the military component.

We did some trials on what General Hillier called his “big honking ship”. To put together the three services and not only conduct, but lead a Canadian operation from the sea, as I'm reading this committee's hearings and others, I believe that some thinking is going back into that.

So it ups your game. It's costly. It's a higher level of training, but it gives Canada the capability to play at the highest possible levels. I would endorse that as something Canada would like to do.

The Chair: Thank you.

We have time for the third round.

Madam Moore.

[*Translation*]

Ms. Christine Moore: I would like to go back to a concept that we addressed at another meeting and get your opinion on the subject. The committee's meetings are currently open to the public. However, for logical reasons of security, we don't have access to information classified as secret or top secret.

I would like to know whether you think it would be advantageous to establish a parliamentary committee that could have access to information on matters such as genuine threats to the country or detected security breaches. That committee would therefore be genuinely in a position to assess readiness in a more comprehensive manner.

● (1250)

Prof. Stéphane Roussel: It is clear to me that you should hold in camera meetings in which you are allowed to access certain information. However, you should understand that neither we in the social sciences nor anyone else is really able to tell you what the actual situation is. If you invite a firefighter to your place and ask him whether there are any fire risks in your home, he will find some. The same will be true of a security professional: he will always find threats.

I think your work requires that you find the necessary balance and qualified views on this matter. If you only speak to security professionals in a closed or in camera context, you may get too dark a picture of the situation.

Ms. Christine Moore: Would anyone else like to comment?

[*English*]

Prof. David Bercuson: If the committee has the requisite security clearance, I don't see any reason why not. But then the problem would be to keep the information you receive in closed session, separate from the information that you receive at open session.

[*Translation*]

Ms. Christine Moore: My last question focuses more on the strategic aspect of readiness.

Currently, with the F-35 project, we tend to group the purchases of all allies together. However, many of them will have exactly the same type of aircraft. If a number of allies intervene in a country using the same aircraft, doesn't that represent a security risk? The enemy need only find a single strategy to shoot them down. That was not previously the case as there were two or three different models of fighter aircraft. The enemy then had to find the strategy and weaknesses for each of them.

Prof. Stéphane Roussel: The answer is no. On the contrary, standardized equipment affords many benefits. You can save time dealing with spare parts, know-how, expertise and so on. That makes it much easier to collaborate. The problems start when the equipment is highly diversified.

I don't know of any weapons system that has been systematically undone by a strategy. In fact, when that does happen, the situation is corrected quite quickly.

Lastly, in view of the cost to develop and maintain these aircraft, you absolutely have to have economies of scale. For the industry, that is the only way to succeed. As Canada does not have a national weapons or defence industry that would generate immediate dividends if the government bought a Canadian product, for example, there is ultimately little interest in breaking away from that group. I see far more advantages than disadvantages in that.

[*English*]

The Chair: Thank you.

Mr. McKay.

Hon. John McKay: Thank you, Chair.

I agree with Chris that this has been an absolutely excellent panel, and I appreciate everyone's contribution.

General Bouchard, in a very humorous presentation last week at lunch, talked about the three strategic rules for NATO coalitions and how they get along. Rule one, he said, is that the children have to play nicely with each other. Rule two is that the children have to share their toys, and rule three is that they should take a nap in the afternoon.

Voices: Oh, oh!

Hon. John McKay: He was using that to illustrate the point about the sharing of intelligence—which speaks to the points that both of you were making—and in particular the silos in which countries operate within the coalition with respect to their intelligence. Americans generally don't share a lot of it.

It got to be actually quite serious at the beginning of the mission, when they were literally using Google maps to figure out where they were going to do their bombing runs. It also got to be quite serious in the sense that if certain countries were included in the briefing, they could see the briefing on Al Jazeera that afternoon.

I'd be interested in your thoughts with respect to how NATO will get over that problem, because if it doesn't get over that problem, that will be.... Well, it may not be the end of NATO, but it certainly won't help.

● (1255)

[*Translation*]

Mr. Samir Battiss: I have been very interested in that subject for some time now. It is true that information sharing within NATO is a reflection of what goes on between the states.

A country will choose to share certain information with one country, but not with another, even though it is an ally. There are also little clubs within NATO in all fields, including intelligence sharing, because intelligence is a very rare commodity. It is also the product of know-how. Very often, by revealing information, you may simultaneously reveal the know-how.

So there are national habits that very often re-emerge within coalitions. It is an extremely difficult thing to combat. It requires time and genuine trust between the individuals in the structures, not at the political level. It is really within the structures. It is a little like an exchange: I give you this, you lend me that. I know that's often done at a tactical level, without telling leaders. It is still a problem as old as intelligence.

[*English*]

Hon. John McKay: It does hold up to the candle the operating rule that coalitions are going to be the way of the future, almost regardless. It's probably an area that bears a lot of thought, because intelligence, if it has been important in the past, will be even more important in the future.

For my final minute, I'd like to do a pivot here and change the subject completely to the search and rescue capabilities of this country. That's not been touched on a lot, and some members of my caucus are extremely concerned about what they see as the declining ability of the military to, in effect, do a cost-benefit analysis on search and rescue.

A suggestion was made to me, by a lobbyist, for privatization of some search and rescue functions. I'd just be interested in your gut reactions to that thought.

Prof. David Bercuson: I don't have any personal problems with privatization—it has been done in other places in the world—but it has to be under an overall government authority, in the sense that doctors work for themselves, but they're also part of a medicare system in this country.

I think the problem is that the cost-benefit analyses that have been done about SAR have left out the political part of the equation. I think you're going to see more and more Canadians in outlying areas insisting that the political part of the equation be factored back in.

I mean, it's okay to say that it costs us too much to put a helicopter permanently at point X, but then when a kid goes missing for three days and could have been found alive if he'd been found within 12 hours, that cost-benefit analysis goes right out the window.

That's why we have a problem. And we do have a problem in search and rescue, there's no question in my mind.

The Chair: Your time has expired.

Mr. Chisu, the last question is to you.

Mr. Corneliu Chisu: Thank you very much, Mr. Chair.

I will return briefly to the Arctic. Of the Arctic nations, I think that we are the only one that has the Northwest Passage, and that there is a difference in sovereignty if somebody claims that the Northwest Passage is in international waters. How can you relate this to the readiness of the Canadian Forces, which you said would be the first government organization there?

Do you think that more Arctic readiness for our armed forces would be an asset?

Prof. Stéphane Roussel: The short answer is yes. My advice for the government is to act as if you're 100% sure that this is not an international strait, that it's purely Canadian waters. If you act this way, you're reinforcing your position on the international level.

Yes, there is a strong incentive to do it.

The Chair: Thank you.

Your time has expired.

We're out of time. I want to thank each of you for appearing as witnesses. Dr. Bercuson, Admiral Garnett, Professor Roussel, and Professor Battiss, thank you so much for your input. It's going to help us with our deliberations as we move forward. Hopefully, what we come up with will be valuable to Canadians and to the Department of National Defence, and of course to our fellow parliamentarians.

With that, I'll take a motion to adjourn.

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