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Artist's impression of an Arctic Offshore Patrol Ship.

RECAPITALIZING THE FORCES

Since assuming office in February 2006, the Harper government has completed, placed under contract, or projected numerous re-equipment programs. The air force component of this package has included four CC-177A *Globemaster III* strategic airlifters (deliveries complete), 17 CC-130J *Hercules* tactical airlifters (initial deliveries of which are pending), a modernization and life-extension program for the stalwart CP-140 *Aurora* maritime patrol/ISR aircraft (albeit for only 10 airframes), and the acquisition of CH-47F *Chinook* heavy transport helicopters. The naval side of the ledger has included a multi-faceted modernization and life extension program for the twelve *Halifax*-class patrol frigates, three multi-purpose Joint Support Ships (JSS), and six to eight Arctic/Offshore Patrol Ships (AOPS). Procurement initiatives for the army have included ex-Dutch *Leopard 2* main battle tanks, several thousand Standard Military Pattern (SMP) and Militarized Commercial-off-the-Shelf (MilCOTS) medium-sized logistic trucks – with deliveries of the latter, the Navistar 7400 SFA 6x6, now underway – and additional M777 towed howitzers. Urgent operational requirements in Afghanistan have generated additional equipment, including six ex-U.S. Army CH-47D *Chinooks*, assorted UAVs, *Leopard 2s* leased from Germany, and an

eclectic assortment of armoured patrol, heavy support, and Enhanced Road Opening Capability (EROC) vehicles.

To this list, the government's Canada First Defence Strategy document of 2008 added 15 “new surface combat ships” to replace existing frigates and destroyers, 10 to 12 patrol aircraft to replace the *Aurora*, 17 fixed-wing search and rescue (FWSAR) aircraft, 65 next-generation fighter aircraft to replace the CF-18, and a new Family of Land Combat Vehicles (FLCV). Rolled out in greater detail on 8 July 2009, the \$5 billion FLCV includes a medium-weight Close Combat Vehicle (CCV) to bridge the gap between current light and heavy armoured vehicles. The army will acquire 108 CCVs (with options for 30 additional vehicles), presumably something along the lines of the BAE Systems Hagglands CV90 series, with an initial operational capability (IOC) of mid-2012. The second FLCV component will provide 550 hard-worked LAV IIIs (and potentially 80 more) with an upgraded weapon system, powertrain, suspension, running gear and brakes, and additional armour. The project IOC is again 2012. The third component, the Tactical Armoured Patrol Vehicle, will supplement the existing Light Utility Vehicle Wheeled (the *G-Wagon*), and also replace the current Armoured Patrol

Vehicle (the RG-31), and, intriguingly, the Coyote reconnaissance vehicle. The stated requirement includes 200 of the reconnaissance variant and 300 of the general utility variant, as well as an option for 100 additional vehicles (variant unspecified). The fourth element of the FLCV includes 13 *Leopard 2*-based Armoured Engineer Vehicles (with options for five additional vehicles) and two *Leopard 2*-based Armoured Recovery Vehicles (with options for two additional vehicles). Also included in the fourth element are ‘dozer’ blades, mine ploughs, and mine rollers for the *Leopard 2* main battle tank.

Add in sundry other capital projects and an eclectic mix of infrastructure initiatives – including long-overdue efforts in the Arctic – and one has a most impressive shopping list. This is not to suggest that the recapitalization of the Canadian Forces is complete or, indeed, assured. Three of the largest, most operationally important, and most expensive projects – the replacements for the CF-18, the *Aurora*, and the major surface combatants – will not produce real-world Canadian defence capabilities for many years, and will require both broad-based public support and realistic and sustained funding from successive Canadian governments. There is no certainty that these conditions will be met. Nor is it to suggest that the Harper government has single-handedly ended the oft-referenced “decade of darkness.” It gets full marks for championing strategic airlift (in the hulking form of the *Globemaster*), for recognizing that an all-LAV army was imprudent, and for attempting to provide a measured reinvigoration of the military presence in the north, but it is only fair to remember that the roots of some of these projects (i.e., CC-130J, Joint Support Ship, and medium trucks) can be traced back to the short-lived government of Paul Martin, which also ordered the *Cyclone* maritime helicopter, and, indeed, to the later Chretien era. Nevertheless, the Harper initiatives constitute the most noteworthy defence procurement package since the heady post-1975 days of Pierre Trudeau’s Defence Structure Review.

Although Ottawa’s recapitalization efforts, as a whole, have generated comparatively modest political, media, and public attention, the modalities of the Canadian defence procurement process – many would posit that ‘process’ is far too generous – and some specific procurement programs (i.e., the Arctic/Offshore Patrol Ship, the Joint Support Ship, the Fixed-Wing Search and Rescue aircraft, and the MilCOTS medium truck) have not escaped controversy and debate.

Recourse to Advance Contract Award Notices (ACANS) for the strategic airlift and heavy transport helicopter projects drew fire, for example, as did the exclusion of both projects, on ‘national security’ grounds, from the provisions of NAFTA, the World Trade Organization-Agreement on Government Procurement (WTO-AGP), and the Agreement on Internal Trade (AIT). Broader concerns over a perceived lack of competitive bidding and the perceived shortage of high-quality industrial benefits have been voiced in a variety of quarters.

As Tim Page, president of the Canadian Association of Defence and Security Industries (CADSI), noted in an interview with *Flight International*, “...as you rebuild Canada’s military, do so in a way that you build strategic industrial capability in Canada,” adding that “...investing in our military does not mean that you disinvest in the Canadian industrial base.” Moreover, “...our message to the government is that it’s not simply the quantity of business that’s being brought to Canada, but it’s the quality of the business coming in to Canada. And in developing a defence industrial policy [we hope] the government will see that there are certain strategic capabilities that have a value in Canada that should be endemic to the Canadian industrial base.”

The extent to which defence procurement can or should be utilized for industrial development has long been a staple of debate in Canada, but the issue has taken on a renewed salience – arguably a pivotal salience – at a time when the broader deindustrialization of Canada and the erosion of research and development in the country have reached truly frightening proportions. Some capital acquisitions clearly do not lend themselves to solid opportunities, direct or indirect, for manufacturing or research and development in Canada, but that does not release Canadian governments from an obligation, in a responsible, innovative, and holistic manner, to maximize the broader return on significant Canadian investments in defence procurement. Failure to do so would squander important industrial and scientific opportunities in both the defence and non-defence sectors, weaken the domestic capability to maintain and update equipment in the Canadian inventory, and jeopardize public support for the recapitalization of Canada’s armed forces. No less urgent, but on a much larger canvas, is the need to jettison the frankly dysfunctional defence procurement system, so graphically critiqued by Alan S. Williams in *Reinventing Canadian Defence Procurement: A View from the Inside* (Breakout Educational Network and Queen’s School of Policy Studies, 2006).

Most of the current and projected recapitalization projects have to date escaped major political, media, and public criticism, but there are exceptions. The six to eight Arctic/Offshore Patrol Ships mooted by the Harper government in 2007, for example, have suffered the indignity of fierce attack from friend and foe alike. Two of the staunchest critics, Colin Kenny and William Rompkey, respectively the Chairs of the Senate Standing Committee on National Security and Defence and the Senate Standing Committee on Fisheries and Oceans, have welcomed the Harper government’s attention to Arctic sovereignty, but they pointedly urge the cancellation of the AOPS in favour of a new fleet of armed, multi-purpose, coast guard icebreakers. They argue that the compromises inherent in the hybrid AOPS – which, it must be noted, is far from fully designed – render it operationally unsuitable for both the Arctic and the east and west coasts and posit that the AOPS project will serve only to “...drain [the navy’s] effectiveness elsewhere” and divert attention from coast guard moderniza-

tion. Bloggers have had a field day, deeming the AOPS everything from “slushbreakers” to “lightweight patrol divas” and “goofy dock queens.” Exasperated proponents of the AOPS continue to see merit in the basic concept, but are alarmed that affordability-driven cutbacks – both quantitative and qualitative – will leave the ships woefully deficient in sensors, speed, armament, and other capabilities, and, consequently, in overall utility and cost-effectiveness. Arguably the only real consensus between the factions is that the original Conservative plan for three “armed naval heavy icebreakers” was ill-considered.

There is some merit in both positions. The modernization of the coast guard icebreaker fleet clearly requires something more than the one projected *Diefenbaker*-class vessel, but, by the same token, it is absurd to have a navy that cannot operate to any credible degree on Canada’s third ocean. The diverse and growing requirements in the Arctic demand both a coast guard and a navy presence. In addition, the navy requires something superior to the current Maritime Coastal Defence Vessels (MCDVs) on the east and west coasts. The issue is complicated, partly because there are very real design challenges in developing a hybrid AOPS (although those worried about gold-plating should perhaps be more worried about tin-plating), and partly because opinion in the navy regarding the AOPS – as Peter Haydon has reminded us – is divided between those who see the AOPS as a budgetary and other threat to expeditionary roles and major surface combatants, those who see the AOPS first and foremost as an MCDV replacement, and those who fervently seek a credible naval capability in Canada’s north. The political optics also loom large, since, as John Ivison has observed in the *National Post*, the Harper government has “...branded the Arctic Tory blue.” Significant delays to the AOPS could prove politically damaging. Outright cancellation, or a rump AOPS project, given that the Conservatives jettisoned their original naval icebreaker plan in favour of the AOPS, would prove even more problematic.

A second project in need of prompt action is the Fixed-Wing Search and Rescue (FWSAR) aircraft. The intended successor to the CC-115 *Buffalo* and the SAR CC-130 Hercules, the new SAR aircraft has led a troubled ‘existence.’ Slated to be fast-tracked under a plan unveiled by Prime Minister Paul Martin in early 2004, the project subsequently languished in the face of competing fiscal and defence priori-

ties, multiple defence reviews, and concerns – both inside and outside government – that the air force’s perceived preference for the Alenia C-27J would virtually guarantee victory for the Italian-designed aircraft. It had been hoped by defence observers that a FWSAR project industry day, held in Ottawa in July 2009, would reflect a fresh impetus, but press and other reports spoke of a disorganized and singularly uninformative meeting. On the other hand, the lack of ‘cast-in-stone’ requirements may now reflect a willingness to consider a wider and more innovative array of SAR options.

If that is the case, a number of points should be stressed. First, the new SAR aircraft must incorporate the sensors and data management systems that have become *de rigueur* on modern SAR aircraft. The “Mark I Eyeball” remains an astonishingly sophisticated “sensor,” but it is only part of the package. Second, the evaluations of the competing aircraft must consider not only their utility for secondary *airlift* tasks, but also their utility for secondary (or at least tertiary) *surveillance* tasks. An aircraft configured for modern SAR has, by default, capabilities that can be applied, as conditions demand and circumstances allow, to a variety of surveillance applications. It would be shortsighted to forego such synergies, particularly if Canada’s primary surveillance assets are confined to 10 *Auroras* and a handful of other government department/private sector-operated twin turboprops. Third, sufficient FWSAR aircraft should be procured to equip one SAR unit (or composite unit) in the far north. This would honour a Conservative campaign pledge from 2005-2006, and dovetail with other Arctic initiatives by the Harper government. Fourth, innovative trade-offs should be considered. If, for example, one of the less expensive contenders is credible in the SAR role, but offers less than desired *airlift* capability, could savings in the acquisition and operating costs of that contender be applied to the purchase of some additional CC-130J capacity? And, fifth, further delays in the FWSAR project will serve only to embolden those who seek, unwisely for Canada and the Canadian Forces, the full privatization of the primary SAR role.

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