

**The Strategic Capability Investment Plan:  
Origins, Evolution and Future Prospects**

By

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## Foreword

As the Canadian Forces entered the second decade of the post-Cold War era, it seemed as if National Defence Headquarters (NDHQ) had turned the relatively mundane activity of planning into a high art. From the late 1990s to the issuance by the government of the April 2005 Defence Policy Statement (DPS) dozens of new planning documents emerged. That was inevitable given that the long Cold War era posed few planning challenges to Canada.

One of the new documents to emerge during this new era of strategic planning was the Strategic Capability Investment Plan (SCIP), first published in December 2003.

SCIP was and is a transition document that represents a shift in how the Canadian Forces now prepare for future challenges. As Dr. Sloan points out in this paper, SCIP is intended to both forecast and integrate future CF needs, especially in capital acquisitions, in a single integrated document that is aimed at fulfilling the new CF goal of “capability-based planning.” Just what is this “capability-based planning?” It is a more realistic approach to planning than the “threat-based” planning that went on throughout the Cold War.

In the era of threat-based planning, each of the three main components of the Canadian forces evaluated the threat it was likely to face in the event of war and then produced its desired list of capital acquisitions. Long term capital planning was driven from the bottom up and without regard for future missions that the CF as a whole might need to undertake in some sort of joint operations. Long term capital plans were thus little better than wish lists subject to the cold realities of Treasury Board scrutiny and vulnerable to the cherry picking of politicians.

However, realistic “threat-based planning” ever was in a country that traditionally starves its military in peacetime, it was replaced in 2000 by a planning process based on identifying likely missions that the CF might be called upon to undertake in a real world scenario, and then re-orienting the CF to be able to undertake those missions. This is a far more realistic, and probably more achievable, planning process than was the old one.

The SCIP is a product of this different approach to planning. It is supposed to reflect not guesses (however educated) as to the possible threats the CF might face, but capabilities that the CF must have in order to fulfill the political mandate given it by the government. It also reflects the growing emphasis in the post-Cold War era that both the Canadian Forces and Canada’s major military allies have placed on “jointness.” Jointness represents the degree to which the three main “environments” of the CF – land, sea and air – are to integrate their operations so as to multiply each other’s capabilities. A joint approach to planning and operations made necessary a joint approach to capability investment planning as well.

Although a SCIP document now exists, as Dr. Sloan points out, the current version is really a transition effort that awaits the finalization of the government’s defence policy plans. The current SCIP was compiled a year and a half before the Defence Policy Statement of April 19, 2005 was issued. At best it represents some capabilities that the high command sought, but it does not reflect the overall defence and foreign policy goals of the government. In the wake of the January 23, 2006 federal election, and the subsequent transition of power from the Liberal government of Prime Minister Paul Martin to the Conservative government of Stephen Harper, we can expect SCIP to be both updated and tied more closely to the policy goals of the new regime.

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## Avant-propos

Lorsque les Forces canadiennes ont abordé leur deuxième décennie de l'après-guerre froide, il semble que le Quartier général de la Défense nationale (QGDN) a fait de la planification, une activité relativement banale, du grand art. De la fin des années 90 jusqu'à la publication par le gouvernement de *l'Énoncé de la politique de défense* (EDP) en avril 2005, des douzaines de nouveaux documents de planification ont fait leur apparition. C'était inévitable, vu que la longue période de la guerre froide avait posé peu de défis de planification au Canada.

L'un des nouveaux documents produits pendant cette ère de planification stratégique était le Plan stratégique d'investissement dans les capacités (PSIC), publié pour la première fois en décembre 2003.

Le PSIC était, et reste, un document de transition qui représente un virage dans la façon dont les Forces canadiennes se préparent maintenant à relever les défis de l'avenir. Comme le souligne M. Sloan dans son document, le PSIC s'attache à prévoir les besoins futurs des FC et à les intégrer, particulièrement au plan des acquisitions d'immobilisations, en un document unique qui s'efforce de remplir le nouvel objectif des FC, celui de la « planification fondée sur les capacités ». En quoi exactement consiste cette « planification fondée sur les capacités » ? Il s'agit d'une approche plus réaliste que la planification « fondée sur la menace » qui existait pendant la guerre froide.

Pendant cette période, chacune des trois principales composantes des Forces canadiennes évaluait la menace à laquelle elle devrait éventuellement faire face en cas de guerre, puis produire sa liste d'acquisition d'immobilisations en conséquence. La planification des immobilisations à long terme suivait une démarche ascendante et ne tenait guère compte des futures missions auxquelles pourraient participer les FC dans des opérations interarmées. Les plans d'immobilisations à long terme n'étaient guère mieux que des listes de souhaits, soumises aux dures réalités de l'examen du Conseil du Trésor et exposées au picorage des politiciens.

Pendant, la « planification fondée sur la menace », toute réaliste qu'elle ait été dans un pays qui affame généralement ses militaires en temps de paix, a été remplacée en 2000 par un processus de planification qui identifierait les missions que les FC seraient probablement appelées à mener dans un scénario du monde réel, puis qui réorienterait les FC de manière à ce qu'elles puissent s'en acquitter. Il s'agit d'un processus de planification bien plus réaliste et probablement plus réalisable que ne l'était l'ancien processus.

Le PSIC est issu de cette approche différente envers la planification. Il est censé refléter non les suppositions (éclairées ou non) des menaces éventuelles qui se poseraient aux FC, mais plutôt les capacités que doivent posséder les FC pour s'acquitter du mandat politique qui lui a été confié par le gouvernement. Il reflète également l'importance croissante, dans l'ère de l'après-guerre froide, que les Forces canadiennes et les principaux alliés militaires du Canada accordent aux mesures conjointes. Ces dernières représentent le niveau d'intégration que doivent atteindre les opérations des trois principaux « milieux » des FC — force terrestre, force navale et force aérienne — pour multiplier leurs capacités mutuelles. Une approche conjointe de la planification et des opérations a rendu également nécessaire une approche conjointe de la planification de l'investissement dans les capacités.

Bien qu'il existe un document du PSIC, comme le souligne M. Sloan, la version actuelle ne représente véritablement qu'un effort de transition qui attend la finalisation des plans gouvernementaux en matière de politique de défense. Le PSIC a été élaboré il y a un an et

demi, avant la publication de *l'Énoncé de la politique de défense*, le 19 avril 2005. Il ne représente au mieux que certaines de capacités recherchées par le haut commandement, mais il ne reflète pas les objectifs globaux de défense et de politique étrangère du gouvernement. À la suite des élections fédérales du 23 janvier 2006, et de la passation des pouvoirs du gouvernement libéral du Premier ministre Paul Martin au gouvernement conservateur de Stephen Harper, nous pouvons nous attendre à ce que le PSIC soit mis à jour et lié plus étroitement aux objectifs politiques du nouveau régime.

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## **Executive Summary**

This paper examines the origins, evolution and future prospects for the Strategic Capability Investment Plan (SCIP), and places this in the context of the overall defence planning process within the Department of National Defence (DND).

Planning for military capabilities in Canada involves many interrelated documents, the most strategic being the prevailing defence policy statement. Other high-level strategic documents include the Strategic Assessment, Military Assessment, and Canadian Forces (CF) vision statement, however, these are not absolutely necessary for force planning purposes. In 2000 the Department adopted a “capability-based” approach to force planning that logically flows from the more strategic defence policy document. This approach centers on identifying the range of activities the CF needs to be capable of undertaking in the contemporary security environment. The activities are captured as a number of Force Planning Scenarios that, in turn, help determine more specific types of required military capability. Eight major “capability areas” are identified in a Canadian Joint Task List and these are then broken down further into the strategic, domestic operational, international operational, and tactical levels. The result is a matrix of 32 capability areas, each of which has been assigned a level of importance—high, medium, or low—that the CF seeks to achieve, thereby transforming the chart into a Capability Goals Matrix. For the purposes of reporting to Treasury Board, the eight major capability areas are simplified into five categories of capability. A final document, the Capability Outlook, projects where the capability gaps are likely to be the greatest over a ten year period and identifies those areas that should receive priority attention.

These various documents have proven to be useful force planning tools, but they do not represent a comprehensive plan in that they do not tell us how we are to get from the current status to the desired end-state, and by when. This challenge has been left to Canada’s first ever Defence Capabilities Plan, now being developed by DND and, despite the change in government, anticipated to be approved by mid-2006. The plan will represent a Departmental interpretation of what the CF needs to be able to do, according to the 2005 Defence Policy Statement, and will refer to a number of real-world scenarios. These will be elaborated in a set of 18 new Defence Scenarios to be finalized by 2008. The plan will also provide a blueprint for how Defence proposes to transition to the required future force. Details in this area will be provided in a new Capability Outlook that will be finalized after the new Defence Scenarios are completed. The overall objective of the Defence Capabilities Plan is to introduce a degree of discipline in CF acquisition plans. Significantly, the plan will assign a cost to achieving the Departmental interpretation of the policy, including capability de-vestments.

In the past, military capabilities were created according to Long-Term Capital Plans, but there were several problems with these plans. They were not linked to one another and were essentially “stove pipe” documents; they did not encompass all of the elements that are necessary to create a military capability; they were to a certain degree unlinked to overall defence policy and trends in international security; they included far more projects than the actual funding available; they had too short a planning horizon to create long-term military capabilities; and, most significantly, they had little or no authority because they were not signed by the Minister and were only acknowledged, but not approved, by the Treasury Board.

Problems associated with the long-term capital plan process, combined with knowledge of a 2002 Treasury Board report on the subject, prompted DND force planners to embark on a new capability-building approach. The result was the SCIP of December 2003. Its objective is to

establish a mechanism by which all of the equipment, infrastructure-construction, human resources, technology development, and concept development-experimentation elements of a Canadian Forces core capability are brought together in holistic fashion in order to create that specific capability. It currently consists of an overview that sets out the aim and scope of the exercise, followed by an equipment investment annex, and it identifies four specific defence capabilities or “investment thrusts,” including: knowledge-based command and sense; support, sustain and mobility; effective engagement; and, force generation and corporate services. For the first iteration of the SCIP only one investment annex was completed, the equipment investment annex, but the document states that future versions will include five annexes in order to create and facilitate linkage among all the elements that are necessary to create a capability.

Although the initial version of the SCIP in 2004 contained an affordable program, with acceptable overprogramming included, there are problems with the SCIP as it currently exists. The projects are not prioritized; nor are they necessarily funded. As with the old long-term capital plans, if one were to add up all the projects in the equipment investment annex the cost would be much higher than the capital budget. In addition, it is not clear how the five annexes, once written, would be integrated into a complete whole to create a military capability. It is likely that these annexes would be just as “stove-piped” as the original long-term capital plans. Finally, to date the SCIP has not made it further up the approval process than did most of the long-term capital plans. The December 2003 change in government precluded a Ministerial signature and therefore a Treasury Board submission.

SCIP drafters have recognized from the outset that there is a need for a fundamental change in the structure of the plan; the current SCIP represents what was considered achievable at the time. Force planners envisage a future Strategic Capability Investment Plan that has annexes labeled according to the strategic thrusts or capabilities, and then details the elements that figure into that capability—rather than the other way around. This would be a significant and valuable change in Canada’s approach to military force planning. There is cautious optimism that this reorientation will be reflected in the revised SCIP, now not anticipated until 2008, after the new Defence Scenarios and Capability Outlook are completed.

Regardless of how visionary the new capability building approach would be as represented by a revised SCIP, its achievement would not be significant in military capability terms unless it were endorsed by the Minister, sent to Treasury Board, and supported by the government. The fact remains that on only one occasion in recent memory has a Minister of National Defence put his or her signature to a long-term force planning document and sent it to Treasury Board for approval—and that was a decade ago under a majority government. To date the Canadian government has not demonstrated a willingness to commit to a long-term plan for the revitalization of Canada’s military. That the new Conservative minority government will be able to do so is far from assured.

## Résumé

Le présent document se penche sur les origines, l'évolution et les perspectives d'avenir du Plan stratégique d'investissement dans les capacités (PSIC), dans le contexte du processus global de planification de la défense au sein du ministère de la Défense nationale (MDN).

La planification des capacités militaires au Canada réunit plusieurs documents étroitement liés, le plus stratégique étant le document prédominant, *l'Énoncé de politique de la défense*. Parmi les autres documents stratégiques de haut niveau, figurent *l'Analyse stratégique*, *l'Évaluation militaire*, et l'énoncé des objectifs à long terme des Forces canadiennes (FC); cependant, aucun de ces documents n'est absolument nécessaire aux fins de la planification des forces militaires. En 2000, le ministère a adopté pour les Forces une approche « fondée sur les capacités », qui est issue logiquement du document de politique de la défense à caractère plus stratégique. Cette approche vise principalement à cerner la gamme de capacités dont ont besoin les FC pour assurer les activités nécessaires au milieu de la sécurité d'aujourd'hui. Les activités sont regroupées en plusieurs scénarios de planification des forces qui, à leur tour, permettent de déterminer des types plus précis de capacité militaire nécessaire. Huit principaux « domaines de capacités » sont identifiés sur la Liste canadienne de tâches interarmées et ceux-ci sont décomposés aux niveaux stratégique, opérationnel national, opérationnel international et tactique. Il en résulte une matrice de 32 domaines de capacité, et chacun s'est vu attribuer un niveau d'importance (élevé, moyen, faible) que les FC veulent atteindre, transformant ainsi le tableau en une matrice des objectifs de capacité. Aux fins de la communication au Conseil du Trésor, les huit principaux domaines de capacité sont simplifiés en cinq catégories de capacité. Un dernier document, *Perspectives sur les capacités*, projette où se produiront probablement les plus grosses lacunes sur le plan des capacités au cours des 10 prochaines années et cerne les domaines qui devraient recevoir une attention prioritaire.

Ces divers documents ont été des outils utiles de planification des forces, mais ils ne représentent pas un plan exhaustif, car ils ne révèlent pas comment nous nous rendrons de l'état présent à l'état final souhaité, ni d'ici combien de temps. Ce défi a été laissé aux soins du premier plan canadien des capacités de la défense, en cours d'élaboration par le ministère de la Défense nationale; on s'attend à ce que le plan soit approuvé d'ici le milieu de 2006 et ce, en dépit des changements qui ont lieu au sein du gouvernement fédéral. Ce plan incarnera une interprétation ministérielle de ce que les FC doivent être en mesure de faire, conformément à *l'Énoncé de politique de la défense* de 2005, et mentionnera plusieurs scénarios du monde réel. Ceux-ci seront décrits dans un ensemble de 18 nouveaux scénarios de la défense, qui sera finalisé d'ici 2008. Ce plan fournira également un plan directeur sur la façon dont la défense se propose d'assurer la transition pour produire les forces futures. Les détails de ce secteur seront fournis dans un nouveau document de perspectives sur les capacités qui sera finalisé, une fois que les nouveaux scénarios de la défense auront été achevés. L'objectif général du plan des capacités de la défense est d'introduire un degré de discipline dans les plans d'acquisition des CF. Il est particulièrement important de souligner que le plan affectera un coût à la réalisation de l'interprétation ministérielle de la politique, dont les désinvestissements des capacités.

Dans le passé, les capacités militaires étaient créées conformément aux plans d'immobilisations à long terme, mais ceux-ci posaient certains problèmes. Ils n'étaient pas liés les uns aux autres et étaient essentiellement des documents en « tuyau de poêle »; ils ne regroupaient pas tous les éléments nécessaires pour créer une capacité militaire, ils étaient dans une certaine mesure dissociés de la politique de défense globale et des tendances de la sécurité internationale, et ils regroupaient bien plus de projets que le financement disponible ne



pouvait assumer. De plus, l'horizon de planification était trop court pour créer des capacités militaires à long terme; et par-dessus tout, ils avaient peu ou pas d'influence, car ils n'étaient pas ratifiés par le ministre et étaient seulement reconnus, mais non approuvés, par le Conseil du Trésor.

Les problèmes associés au processus du plan d'immobilisations à long terme, assortis des connaissances issues d'un rapport du Conseil du Trésor publié en 2002 sur le sujet, a incité les planificateurs des FC du MDN à adopter une nouvelle approche d'établissement des capacités. Cette mesure a produit le PSIC, publié en décembre 2003. Il avait pour objectif d'établir un mécanisme en vertu duquel tous les volets suivants : matériel, construction de l'infrastructure, ressources humaines, mise au point de la technologie et développement et mise à l'essai du concept, bref tous les éléments nécessaires aux capacités fondamentales des Forces canadiennes seraient réunis en un tout pour créer cette capacité particulière. Il consiste en un aperçu qui définit la portée et l'envergure de l'exercice, suivi d'une annexe d'investissement dans le matériel, et il dégage quatre capacités particulières de la défense, ou « idées maîtresses d'investissement », dont les suivantes : Un commandement et un sens fondé sur les connaissances; soutien, viabilité et mobilité; un engagement efficace, et mise sur pied des forces et services généraux. Pour cette première version du PSIC, seule une annexe d'investissement a été remplie, celle de l'investissement dans le matériel, mais le document indique que les versions à venir comprendront cinq annexes de manière à créer et à faciliter les liens entre tous les éléments nécessaires à la création des capacités.

Bien que la version initiale du PSIC, publiée en 2004, comportait un programme abordable, assorti d'un dépassement de programme acceptable, le PSIC dans sa forme actuelle comporte des problèmes. Les projets ne sont pas priorisés et ne sont pas nécessairement capitalisés. Comme c'est le cas pour les anciens plans d'immobilisation à long terme, si l'on faisait le total de tous les projets figurant dans l'annexe de l'investissement en matériel, le coût serait bien plus élevé que le budget d'immobilisation. De plus, il n'est pas clair comment les cinq annexes, une fois rédigées, seraient intégrées en un tout pour créer un potentiel militaire. Il est probable que ces annexes seraient tout aussi en « tuyau de poêle » que les plans d'immobilisation à long terme originaux. Finalement, jusqu'à maintenant, le PSIC n'a pas progressé le long des étapes d'approbation plus loin que la plupart des plans d'immobilisations à long terme. Le changement de gouvernement qui a eu lieu en décembre 2003 a empêché une signature ministérielle et par conséquent, une soumission au Conseil du Trésor.

Les rédacteurs du PSIC ont réalisé dès le départ qu'il fallait apporter une modification fondamentale à la structure du plan; le PSIC dans sa forme actuelle ne représente que ce qui était considéré comme réalisable à ce moment-là. Les planificateurs des FC envisagent un Plan stratégique d'investissement dans les capacités futures dont les annexes seraient cataloguées en fonction des capacités ou des idées maîtresses stratégiques, puis qui exposeraient en détail les éléments qui figurent dans cette capacité — plutôt que le contraire. Il s'agirait d'un changement utile et significatif de l'approche canadienne face à la planification des forces militaires. On pense, avec un optimisme prudent, que cette réorientation se reflétera dans la version remaniée du PSIC qui n'est pas attendue avant 2008, une fois que seront achevés les nouveaux scénarios de la défense et perspectives sur les capacités.

Quel que soit le degré de vision de la nouvelle approche d'établissement des capacités tel qu'elle sera représentée par un PSIC remanié, sa réalisation ne sera pas significative en termes de potentiel militaire à moins d'être sanctionnée par le ministre, envoyée au Conseil du

Trésor, et appuyée par le gouvernement. Le fait est qu'il n'y a eu qu'une seule occasion, au cours des temps récents, où un ministre de la Défense a ratifié un document de planification à long terme des forces et l'a soumis à l'approbation du Conseil du Trésor, et elle s'est produite il y a une dizaine d'années, sous un gouvernement majoritaire. À ce jour, le gouvernement canadien n'a pas manifesté de volonté à s'engager à un plan à long terme pour la revitalisation de l'armée canadienne. Et il est loin d'être garanti que le nouveau gouvernement conservateur minoritaire sera en mesure de le faire.

## **Introduction**

In December 2003 the Department of National Defence released its first ever Strategic Capability Investment Plan or SCIP. The product of more than a year's work among the Department's force planners and senior management, including the Deputy Minister, Chief of Defence Staff and the Minister of National Defence, the SCIP was heralded as providing "a new approach and new priorities for equipment acquisitions."<sup>1</sup> The objective of the SCIP is to establish a mechanism by which all of the equipment, infrastructure-construction, human resources, technology development, and concept development-experimentation requirements of a Canadian Forces core capability<sup>2</sup> are brought together in holistic fashion in order to create that specific capability.

The SCIP is a work in progress and it will not be until about 2008 that we can expect to see a document that reflects the SCIP's objective, rather than the overview and equipment investment annex of the current version. Before work on a new SCIP can even begin the government must approve a new Defence Capability Plan based on the Defence Policy Statement of April 2005. The change in government adds an unknown factor into the equation, particularly whether or not this Statement will be supported by the new Conservative government.

This paper examines the origins, evolution and future prospects for the Strategic Capability Investment Plan, and places this in the context of the overall defence planning process within the Department of National Defence. Part 1 discusses the defence planning process, including the "strategic", "operational" and "tactical" levels. Part 2 highlights the new Defence Policy Statement and gives in general terms what we are likely to see as part of the resulting Defence Capabilities Plan. Part 3 examines the historical means by which the department has created military capabilities, the Long Term Capital Plans, and examines the factors that prompted a new approach. Part 4 details the content and objectives of the original SCIP, assesses its strengths and weaknesses, and discusses its future prospects.

## **Part 1: The Defence Planning Process**

Planning for military capabilities in Canada involves numerous interrelated documents. The relatively large number of documents reflects in part the military requirement to have a planning process in place that progressively moves from the “strategic” big picture defence policy, to the “operational” Defence Capability Plan, to the “tactical” Canadian Joint Task List and Force Planning Scenarios. It also reflects the reality that what makes sense to Defence in planning terms may not necessarily be understandable at “the center,” in the Privy Council Office, the Treasury Board Secretariat and the Cabinet, where approvals are necessary if defence plans are to have the authority to go ahead.

The most strategic defence planning document in the Department of National Defence is the prevailing defence policy document, currently the Defence Policy Statement of April 2005.<sup>3</sup> Defence policy documents state the overall government defence policy, and also define in general terms what the Canadian Forces needs to be able to do. The Defence Policy Statement, for example, says that the Canadian Forces must, among other things, be able to protect the sovereignty and security of Canada and Canadians. To this end, the navy must provide a naval task group of up to four combatant vessels on each coast, with embarked maritime helicopters and a national command component (to give only one of many examples). Other high-level strategic documents include the Strategic Assessment, Military Assessment, and Canadian Forces vision statement. The Strategic Overview, produced on an annual basis by the Policy Group’s Directorate of Strategic Analysis, provides perhaps the biggest of big picture views, from trends in great power relations, to the prospects for Arab-Israeli peace, to the nature of terrorism, the rise of China, and the likelihood of ethnic conflict. Ideas within the strategic assessment can help inform the content of defence policy statements or white papers, and influence or identify the need for a shift in policy emphasis in the years between official statements. The Military Assessment, produced every few years by the Strategic Planning division, also has a big picture view, but its more specific objective is to analyze overarching

trends in international security and defence to identify the potential impact of these trends on the way future forces are likely to be organized, trained, and equipped.<sup>4</sup> The Canadian Forces' vision statement goes still further, explicitly stating those trends Defence needs to take into account in the defence planning process. The 1999 vision statement, *Shaping the Future of the Canadian Forces: A Strategy for 2020* (CF 2020), identified, for example, global deployability and interoperability as key force requirements of the future.

Because they inform defence planning activities, both a Military Assessment and a Canadian Forces vision statement are desirable before the Department's highest level force planning document is produced, the Defence Capability Plan. That said, a Defence Capability Plan can go ahead without a Military Assessment or a Canadian Forces vision statement because, logically speaking, a Defence Capability Plan flows from the prevailing defence policy document.<sup>5</sup> "The idea is that the policy statement scopes what we need to be capable of doing," notes a key Defence force planner, and "the capability plan will then describe in more detail how we would propose to exercise those capabilities (and by when)."<sup>6</sup>

As important as it is, Defence has never released a comprehensive Defence Capability Plan. In 2000 the Department adopted a "capability-based" planning approach to developing military capabilities. Rather than using the old Cold War "threat-based" planning approach, where Defence assessed the threat to Canada and based on the assessment determined the required Canadian Forces military capability, it adopted an approach that is in effect "threat neutral" and centers on the range of types of activities the Canadian Forces must be capable of undertaking in the contemporary security environment. These are derived from the defence policy document and captured as a list of 11 Force Planning Scenarios, including such diverse things as search and rescue in Canada, peace support operations, and collective defence.<sup>7</sup> The Force Planning Scenarios, in turn, help determine more specific types of required military capability. For example, because the scenarios indicate the need to deploy forces throughout Canada and around the world, mobility has been identified as a major force requirement. Other

force characteristics that have been identified are command, information and intelligence, the conduct of operations, force protection, force sustainment, force generation, and corporate policy and strategy.

These eight major “capability areas” are specified in the Canadian Joint Task List, which then breaks the capability areas down further into the strategic, domestic operational, international operational, and tactical levels. The result is a matrix of 32 capability areas, each of which is assigned a level of importance—high, medium, or low—that the CF seeks to achieve, thereby transforming the chart into a Capability Goals Matrix. The assigned levels of importance are necessarily subjective. For example, the requirement for an independent Canadian Forces mobility capability for international operations at the operational level is currently assigned as “low,” based on an assessment of the relative benefit of seeking a higher level of capability in this area as compared to its cost.<sup>8</sup> In these situations Canada may be able to benefit from allied mobility capabilities (for example American strategic lift from the Middle East to Afghanistan). By contrast, the requirement for command, information and intelligence capabilities at the strategic and domestic operational level are assessed as “high,” meaning that the CF must be able to exert an “effective, unilateral defence capability” in these areas.<sup>9</sup> The CF must, for example, be capable of being in command of, and in direct communication with, its forces at all times whether they be peacekeeping on the Golan Heights, combating insurgents in Afghanistan, or fighting forest fires in Northern British Columbia.

All of these defence tasks are reflected in the annual internal departmental business plan, formerly called the Defence Planning Guidance and now known as the Defence Plan. But the internal business plan, as well as the department’s externally reported business plan, the Report on Plans and Priorities that must be submitted to the Treasury Board before the beginning of each new fiscal year, is simplified for the purposes of reporting to the centre into five overarching capability goals: command and control (subsuming command and information and intelligence), conduct operations (subsuming the conduct of operations, mobility, and force

protection), sustain forces, generate forces, and corporate policy and strategy. These simplified categories of capability, which also figured in the old Departmental Planning, Reporting and Accountability Structure required by Treasury Board, are reflected in the Capability Goals Matrix (see figure 1).

Figure 1: The Capability Goals Matrix

Level	Command & Control		Conduct Operations			Sustain	Generate	Corporate
	Command	Info & Int	Conduct	Mobility	Protect			
<b>Military Strategic</b>	H	H	L	H	L	L	M	H
<b>Operational (Domestic)</b>	H	H	M	M	M	M	M	M
<b>Operational (Int'l)</b>	M	M	L	L	L	M	L	M
<b>Tactical</b>	M	M	M	M	M	M	M	H

In April 2005 Treasury Board changed its departmental reporting requirement from the old accountability structure to a new Management, Resources and Result Structure. This structure has three elements: a Program Activity Architecture; clearly defined and measurable strategic outcomes; and, a description of the current governance structure that outlines the decision-making responsibilities and accountabilities of the department. The result, in the case of DND, will be a still further simplified and perhaps more easily understandable set of defence capability goals, now called strategic outcomes, for reporting to the centre: (1) generate and sustain relevant, responsive and effective combat capable, integrated forces; (2) conduct operations; and (3) contribute to Canadian government, society and the international community in accordance with Canadian interests and values.<sup>10</sup> All of these business plans are “horizon 1” documents in that they look out five years, as opposed to having a 10 year “horizon 2” or 15 year “horizon 3” outlook.

As is indicated by its title, the Capability Goals Matrix reflects an objective in each of the capability areas—not necessarily a reality. In fact, the goal is a reality in less than half the current 32 boxes of the matrix. These areas are colored green, while those where the CF partially meets the stated goal are yellow and those areas that reflect a significant capability shortfall are red. For example, with no strategic sea or air lift the CF's mobility capability at the military strategic level—which has been assigned a high level of importance—is shaded red in the matrix. Although no areas designated as “low” are red, it is still disquieting to note that several such areas are colored yellow. For example, even though the CF seeks only a low ability to sustain its forces at a military strategic level, even this goal is only partially met.

To address these shortfalls force planners need to be able to project into the future what the matrix is likely to look like. To this end, in 2002 Defence developed a Capability Outlook with a horizon 2 planning timeframe. This document takes as its starting point the capability gaps indicated by the Capability Goals Matrix, and then projects over a period of five to 10 years what the impact of existing plans will be on these gaps. It examines projected gaps and strategic trends in each of the eight capability areas of the Canadian Joint Task List (noted above), and then assigns priorities in six different areas.<sup>11</sup> The idea is to be in a position to know where the capability gaps are likely to be the greatest (i.e. existing or projected red boxes in the matrix) and therefore take action today to ensure these gaps are corrected or do not materialize in the future. The specific organization that is meant to use the Capability Outlook to identify those capability areas that should receive priority in the next planning cycle is the Joint Capability Requirement Board, chaired by the Vice-Chief of Defence Staff and comprised of high-level managers across Defence.

The Force Planning Scenarios, Canadian Joint Task List, Capability Goals Matrix, and Capability Outlook have proven to be useful force planning tools. But they do not represent a comprehensive Defence Capability Plan because they do not tell us how we are to get from the current status to the desired end-state, and by when. In essence, existing force planning tools



do not tell us if the government is committed to turning the red and yellow boxes green and, if so, how Defence is to go about creating a “green” capability in each. Nor do existing tools give the cost of creating specific capabilities. All of these challenges have been left to a new Defence Capabilities Plan that is being developed by the Department of National Defence based on the Defence Policy Statement.

## **Part 2: The Defence Policy Statement and the Defence Capabilities Plan**

In April 2005 the Government released *Canada’s International Policy Statement: A Role of Pride and Influence in the World: Defence*, a document that soon became known as the Defence Policy Statement. Coming more than ten years after the last defence policy document, the Defence Policy Statement marks a significant departure in the relative emphasis placed on different mission areas, and in the organizational structures designed to facilitate these missions.

The broad CF missions themselves have not changed. They remain, as they have for roughly the last half-century, the defence of Canada, the defence of North America in partnership with the United States, and contributions to international peace and security through our commitment to NATO and the United Nations (although not stated in these specific terms). But, generally speaking, the new Defence Policy Statement gives increased attention to Canada and North America as compared to previous defence policy documents. The new policy states explicitly that the “The Government believes...a greater emphasis must be placed on the defence of Canada and North America than in the past.” To facilitate the CF’s ability to carry out missions at home the new policy announces the creation of six joint force headquarters across Canada, each integrating elements of all three services, which will report to a new Canada Command in Ottawa.

As regards overseas missions, the Defence Policy Statement pays special attention to rebuilding failed and failing states.<sup>12</sup> These will be carried out in the context of complex peace

support and stabilization missions, one of a range of operations in which the CF must be capable of participating.<sup>13</sup> The accompanying Overview document also stresses that the Canadian Forces must “stand ready to participate in military missions against terrorist networks or states who harbor them.”<sup>14</sup> To facilitate the overseas component of its mandate, the CF is creating a new Expeditionary Command. In addition, it is creating a third new command, a Special Operations Command, which will have both continental and expeditionary responsibilities.

The overall objective of the Defence Capability Plan is to establish a Canadian Forces strategy for implementing this new policy. Signed off by the Chief of Defence Staff and Deputy Minister, and (it is hoped) approved at the Ministerial level, the Plan will in the first instance be a Defence Department view or interpretation of what the Canadian Forces needs to be able to do, according to the Defence Policy Statement. Previously, each of the three services wrote their own interpretation of what the prevailing defence document meant for their service. The most recent in this regard are the Navy’s *Securing Canada’s Ocean Frontiers* (2005), the *Army Strategy* (2002), and the Air Forces’ *Strategic Vectors* (2004). The Defence Capabilities Plan will introduce coherence into force modernization and transformation<sup>15</sup> by providing a single view of what the Defence Policy Statement means for the Canadian Forces as a whole. It will include in general terms a number of real-world, classified, scenarios to help shape the likely missions, tasks and capability demands of the Canadian Forces. These will be elaborated in a set of 18 new Defence Scenarios (an increase from the previous 11 Force Planning Scenarios) that are expected to be finalized by 2008.<sup>16</sup>

The Defence Capabilities Plan will also discuss the size of force and associated equipment the Canadian Forces will commit to being able to contribute to domestic and international operations at any given time. It will give details on how long the CF will seek to be able to sustain these forces in theatre, and on the required troop rotation ratio—that is, how many units must be in training or back at their home base to support every unit deployed

overseas. In this area the Defence Capabilities Plan will also go further to advise the government on what the CF should not do in the future, pointing to big decisions in programs and platforms that may need to be cut.

Having established what the Canadian Forces needs to be able to do (or not do), the Defence Capability Plan will in the second instance provide a blueprint for how Defence proposes to get there. Grounded in the capability based planning-approach to force planning, this will involve showing the current force structure, specifying the proposed future force structure, and outlining how the CF will go about transitioning to the future force. This part of the Defence Capabilities Plan will have a very long horizon—perhaps as much as 30 years—but it will also be broken down into more sizeable timeframe components, giving the required major capability accomplishments in, let us say, the first five years, the second five years, etc. Details in this area will be provided in a new Capability Outlook that will be finalized after the new Defence Scenarios are completed. The overall objective here is to introduce a degree of discipline in CF acquisition plans. Finally, and very significantly, the Defence Capabilities Plan will assign a cost to achieving the Departmental interpretation of the policy, including capability investments and capability de-vestments.

The federal election call in late 2005 precluded meeting the original goal of Departmental approval of the Defence Capability Plan by the end of the year. Force planners are of the view that even with the change of government the document could achieve Ministerial approval by the middle of 2006, subsequently proceeding to the Cabinet approval stage.

### **Part 3: Creating Capabilities: The Long-Term Capital Plans**

Even once the Defence Capability Plan has been completed and approved there will be much work to be done in terms of filling in the detailed plans of how capabilities are to be created and sustained over the long-term. In the past, capabilities were created according to three Long-Term Capital Plans—one each for equipment capital projects, information and

management capital projects, and infrastructure/construction capital projects. Submitted annually to the Treasury Board in accordance with the Treasury Board Long Term Capital Plan of 1994, these plans had five-year planning horizons, the major component of which was a list of projects for which the department was seeking expenditure authority in the upcoming fiscal year, and a further list of projects that the department would pursue over the subsequent four years.<sup>17</sup>

These long-term capital plans are being phased out and replaced by the Strategic Capability Investment Plan. Indeed, problems associated with the long-term capital plan process were a major factor that prompted the new capability-building approach that is represented by the final vision for SCIP (noted above). One of the problems was that the long-term capital plans operated in what may be characterized as a tactical void in that they were not linked to one another. They were, in management lingo, “stove pipe” documents. It was possible, for example, to seek as a priority in the long-term capital plan for equipment expenditure authority for new maritime helicopters, but not at the same time to place at the same level of priority in the long-term capital plan for infrastructure hangers for these new helicopters. In addition, the plans did not encompass all of the elements that are necessary in order to create a capability, most notably technology and research, concept development, experimentation, and human resources. The result was that Defence could build a building that was central to creating a certain capability, but once it was completed not have the people needed to work there.

The long-term capital plans also operated to certain degree in a strategic void unlinked to overall defence policy and trends in international security. Canada’s leopard tanks, for example, were upgraded in the 1990s despite the fact that tanks became much less relevant with end of the Cold War. Although long term capital plan documents were touted as being linked to departmental priorities and future requirements,<sup>18</sup> in fact this was not wholly the case. A 2002 consultant report commissioned by the Treasury Board to recommend improvements to the Treasury Board Long Term Capital Plan Policy found that such plans were treated as a

document almost solely in support of a project approval request and did not clearly make the link to departmental priorities.<sup>19</sup> Projects were added to the equipment list from the “bottom up” in that they emerged from proponents in the navy, army and air force,<sup>20</sup> rather than being driven from the “top down” as a result of a strategic vision for the Canadian Forces.

The list of projects also had no direct relation to the actual funding available. If one were to add up the cost of all the projects, it would come in far higher than the capital budget. Moreover, with a largely horizon 1 emphasis, the long-term plans were not long-term enough to enable appropriate investment decisions for the future. This was especially the case in Defence given the average 10 to 15 years it takes for a major military platform to go from concept to deployment. A final and very significant problem was that the long-term capital plans had little or no authority. Although the Treasury Board’s policy in this area stated such plans had to be submitted by the Department for expenditure authority, and therefore signed by the Minister, in the vast majority of cases this did not happen. Capital plans stopped at the Deputy Minister level. They were submitted to, and acknowledged by, the Treasury Board, but they were not actually approved. In fact, on only one occasion—in 1996—was a long-term capital plan for equipment formally endorsed by the Minister of National Defence and sent to Treasury Board for approval.<sup>21</sup> With no Ministerial signature, and no commitment from the centre, “capital plans continue[d], year after year, to consume staff resources and administrative overhead, often with little or no likelihood of ever being approved.”<sup>22</sup>

Given this lengthy list of problems it is not surprising that the Minister’s Select Advisory Group on Administrative Efficiencies—established in 2003 by then-Defence Minister John McCallum to identify inefficiencies in the Department of National Defence and to reallocate the savings achieved by addressing these inefficiencies from lower to higher Departmental priorities—found that “no NDHQ officials consulted defended the current system.”<sup>23</sup> The Treasury Board itself was no doubt aware there were problems with the system, as is evidenced by its commissioning of the above noted report. The Treasury Board study recommended

evolving the long-term capital plan concept from one that focused only on capital planning to one that centred on strategic investment planning. The idea would be to integrate all the investment requirements (not just capital) that were necessary to meeting a program objective, such as creating a military capability. While the current policy focused on the acquisition and management of capital assets for delivering programs, a better way to approach long term planning would be to address all of the strategic investment decisions that were necessary to deliver a capability.<sup>24</sup> Crucially, an investment plan had to include not just investment but divestment, since eliminating capital assets—such as unneeded military bases—could be just as important for meeting a program objective as acquiring capital assets.

#### **Part 4: Creating Capabilities: The Strategic Capability Investment Plan**

The Treasury Board report created a sort of “eureka” moment for Defence force planners when they read it in the fall of 2002, providing instigation and focus for Departmental efforts to fix a problem that everyone knew needed fixing. Although the Treasury Board itself has yet to change its long-term capital plan policy, the Department of National Defence immediately set about developing its first Strategic Capability Investment Plan. After a full year of consultations at the highest levels in the department, and no fewer than 26 drafts, the SCIP was officially endorsed at the Deputy Minister and Chief of Defence Staff level in December 2003. Although Minister McCallum was engaged throughout the process, and expressed his strong support and endorsement,<sup>25</sup> the change of government on December 12<sup>th</sup> of that year precluded a Ministerial signature, without which there could be no formal Treasury Board submission. Thus, to date the SCIP has not made it further up the approval process than did most of the old long-term capital plans. The annex to the document was updated in 2004 but in essence SCIP has been on hold (and now must be revised) for the past few years, first pending the release of the Defence Policy Statement, and now waiting for finalization and approval of a Defence Capability Plan.

The Strategic Capability Investment Plan as it currently exists consists of a 15-page overview that sets out the aim and scope of the exercise and other relevant information, followed by a roughly 55-page equipment investment annex. Its aim is to establish a departmental high-level plan for investment in defence capabilities over 15 years. The current plan identifies four specific defence capabilities or “investment thrusts” which are the essentially the same as the five simplified categories of capability in the Capability Goals Matrix, with the exception that force generation and corporate planning and strategy have been amalgamated into “force generation and corporate services” so as to ensure that managers adequately take into account the requirements of running the business. The other three investment thrusts are: knowledge-based command and sense; support, sustain and mobility; and, effective engagement. For the first issue of the SCIP only one investment annex was completed, the equipment investment annex, but the document states that future versions will “create and facilitate linkage” by including four additional investment annexes—one each for construction/infrastructure, human resources, technology development, and concept development and experimentation.<sup>26</sup> The equipment investment annex is broken down according to the capability thrusts. Thus for example, under capability thrust 1, command and sense, there are about 20 projects, including things like the unmanned aerial vehicle program and the polar epsilon satellite capability to conduct surveillance of the Arctic. And capability thrust 4, effective engagement, includes well over 30 projects including such things as the maritime helicopter replacement, mobile gun system, and single ship transition.

Although the initial version of the SCIP in 2004 contained an affordable program, with acceptable overprogramming included, there are some problems with the SCIP as it currently exists. The projects are not prioritized; nor are they necessarily funded. In this respect the equipment investment annex is not much different than the old long-term capital plan for capital equipment. Indeed, the communication strategy that accompanied the original release of the Strategic Capability Investment Plan fully acknowledged the equipment investment annex “is

very much like and replaces the old Long Term Capital Plan.”<sup>27</sup> There was, however, one key difference – the content of the Annex had been reduced to a manageable program, at least for capital equipment. With the current version, as was the case with the long-term capital plans, if one were to add up all the projects in the equipment investment annex the cost would be much higher than the available capital equipment budget. Moreover, in looking at the investment plan as it exists today it is not clear how the five annexes, once written, would be integrated into a complete whole to create a military capability, as represented by the investment thrusts. It is likely that these annexes would be just as “stove-piped” as the original three long-term capital plans.<sup>28</sup>

SCIP drafters have recognized from the start that there is a need for a fundamental change in the structure of the SCIP.<sup>29</sup> What we see as the SCIP today represents what was considered achievable at the time, but if Canada is to be able to create sustainable military capabilities this new way of thinking about force planning must represent only a beginning, not the end. Force planners envisage a future Strategic Capability Investment Plan that has annexes labeled according to the strategic thrusts or capabilities, and then details the equipment, construction, human resources, research and development, and concept development and experimentation elements that figure into that capability—rather than the other way around (see figure 2).



Figure 2: A comparison of the conceptual thinking behind the original SCIP and the future SCIP.

Underlined categories are annexes.

*Concept for the original SCIP*

<u>Equipment*</u>	<u>Construction &amp; Infrastructure</u>	<u>Human Resources</u>	<u>Technology Development</u>	<u>Concept Development</u>
Command & Sense	Command & Sense	Command & Sense	Command & Sense	Command & Sense
Effective Engagement	Effective Engagement	Effective Engagement	Effective Engagement	Effective Engagement
Sustain & Force Generation	Sustain & Mobility Force Generation	Sustain & Mobility Force Generation	Sustain & Mobility Force Generation	Sustain & Mobility Force Generation

\* The equipment annex is the only one that was completed.

*Concept for the future SCIP*

<u>Command &amp; Sense</u>	<u>Effective Engagement</u>	<u>Sustain &amp; Mobility</u>	<u>Force Generation</u>
Equipment	Equipment	Equipment	Equipment
Construction & Infrastructure	Construction & Infrastructure	Construction & Infrastructure	Construction & Infrastructure
Human Resources	Human Resources	Human Resources	Human Resources
Technology Development	Technology Development	Technology Development	Technology Development
Concept Development	Concept Development	Concept Development	Concept Development

Force planners are cautiously optimistic that this reorientation in conceptual thinking will be reflected in the next Strategic Capability Investment Plan.<sup>30</sup> Certainly it is true that the transformation of the Canadian Forces, to which senior members of the Department are committed, cannot take place without a change in approach along these lines. In any case, we are now unlikely to see the SCIP in final version until 2008, after the new Defence Scenarios

and Capability Outlook are completed.<sup>31</sup> A future SCIP is likely to have a 15 year time-frame, but because of the realities of facing a new government at least every four or five years it will focus especially on a five-year and even one-year horizon, detailing the specific investment and devestment decisions that need to be made over any given 5 year time frame in order to support the overall Defence Capabilities Plan.<sup>32</sup>

## **Conclusion**

Planning for military capabilities has undergone significant change in the Department of National Defence since the late 1990s. Beginning with a move from threat-based to capability-based planning, the Department progressively undertook additional planning mechanisms, all of which were designed to improve the efficiency and effectiveness of creating military capabilities. They included the Force Planning Scenarios, the Canadian Joint Task List, the Capability Goals Matrix, the Capability Outlook, and the first iteration of a Strategic Capability Investment Plan.

Yet problems have persisted in how force planning is carried out. The new Strategic Capability Investment Plan was not unlike the old long-term capital plans, with all the shortcomings associated with that planning process. It is possible, even likely, that a new SCIP will reflect the required change in thinking that is necessary to create a coherent, holistic, and detailed CF strategy for implementing Canadian defence policy. But even if it does, this would not be significant in military capability terms unless the plan were endorsed by the Minister, sent to Treasury Board, and supported by the government. The fact remains that on only one occasion in recent memory has a Minister of National Defence put his or her signature to a long-term force planning document and sent it to Treasury Board for approval—and that was a decade ago under a majority government. To date the Canadian government has not demonstrated a willingness to commit to a long-term plan for the revitalization of Canada's military. That the new Conservative minority government will be able to do so is far from assured.

## NOTES

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<sup>1</sup> Department of National Defence, *Defence Plan Online FY 04/05 – Baseline* (Ottawa: October 2004), p. 63.

<sup>2</sup> CF core capabilities include: command and control, conduct operations, sustain forces, generate forces, and corporate policy and strategy.

<sup>3</sup> Unlike the United States Department of Defense, which is mandated to produce a defence policy document—known as the quadrennial defense review—every four years, Canadian defence policy documents are produced sporadically and in previous years have always been known as Defence White Papers. Canada has produced 5 Defence White Papers since World War Two, in 1947, 1964, 1971, 1987 and 1994. By the time the Martin government came into office in late 2003 most high-level members of the defence and foreign policy community agreed it was well past time both for a new defence policy paper and a new statement of Canadian foreign policy, which itself had not been updated since the 1995 white paper on foreign policy. Perhaps to avoid the lengthy white paper process of cabinet approvals the outcome was the International Policy Statement released in April 2005. It consists of an overview and 4 supporting documents, one each on diplomacy, defence, development and commerce. The defence component has become known as the Defence Policy Statement.

<sup>4</sup> Forward to *Military Assessment 2002*, found at [www.vcds.forces.gc.ca](http://www.vcds.forces.gc.ca), accessed 30 August 2005.

<sup>5</sup> In fact, the drafting of CF 2025 has now been put on hold while defence planners focus on drafting the Defence Capabilities Plan.

<sup>6</sup> Email to the author from M.W. Fawcett, Directorate of Force Planning and Program Coordination, 18 August 2005.

<sup>7</sup> The eleven scenarios are: search and rescue in Canada, disaster relief in Canada, international humanitarian assistance, surveillance/control of Canadian territory and approaches, evacuation of Canadians overseas, peace support operations (peacekeeping), aid of the civil power/assistance to law enforcement agencies, national sovereignty/interests enforcement, peace support operations (peace enforcement), defence of North America, and collective defence.

<sup>8</sup> Department of National Defence, *Capability Based Planning for the Department of National Defence and the Canadian Forces* (Ottawa: May 2002), para 4.15.

<sup>9</sup> *ibid.*, para 4.13.

<sup>10</sup> Department of National Defence, “PAA – Program Activity Architecture,” found at <http://www.vcds.forces.gc.ca>, accessed 26 August 2005.

<sup>11</sup> See Department of National Defence, *Capability Outlook 2002-2012* (Ottawa: July 2002). Priorities for mobility, the conduct of operations, and force protection are grouped together under “conduct operations.”

<sup>12</sup> *Canada’s International Policy Statement: A Role of Pride and Influence in the World: Defence* (hereafter Defence Policy Statement), p. 26.

<sup>13</sup> The range of operations includes: combat operations, complex peace support and stabilization missions, maritime interdiction operations, traditional peacekeeping and observer operations, humanitarian assistance missions, and evacuation operations. See p. 28 of the Defence Policy Statement.

<sup>14</sup> *Canada’s International Policy Statement: A Role of Pride and Influence in the World: Overview*, p. 12.

<sup>15</sup> Force transformation refers to a completely new way of conducting military operations. We know transformation has taken place when a previous means of waging war has been rendered obsolete by a new way of waging war, for example massive tank battles being rendered obsolete by long-range precision air strikes. The Pentagon refers to transformation as “accomplishing military missions that were previously unimaginable or impossible except at prohibitive cost.” Modernization, by contrast, has been described as “the same, only more so.” It is a better, more efficient way of doing what was already being done before. Rather than trying to decide what is transformative and what is simply modernization it is more useful to focus on the types of capabilities our forces will need in the future.

<sup>16</sup> Author conversation with M.W. Fawcett, 26 January 2006.

<sup>17</sup> Department of National Defence, *Defence Management System Manual*, chapter 6, part 6.

<sup>18</sup> Department of National Defence, *Capability Based Planning*, para 6.17.

<sup>19</sup> Interis Consulting Inc., *Diagnostic Assessment and Identification of Potential Changes to the TB Long Term Capital Plans Policy* (Ottawa: Treasuring Board of Canada, Secretariat, March 2002), p. 11.

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- <sup>20</sup> John McCallum, speaking notes for an appearance before the Standing Committee on National Defence and Veterans Affairs, 6 November 2003.
- <sup>21</sup> This was because the Minister asked for an increase in expenditure authority. Author interview with M.W. Fawcett, 29 August 2005.
- <sup>22</sup> Canadian American Strategic Review, "Streamlining Defence Procurement: Can NDHQ Deliver?" [www.sfu.ca](http://www.sfu.ca), accessed 19 August 2005.
- <sup>23</sup> Advisory Committee on Administrative Efficiency, *Achieving Administrative Efficiency* (Ottawa: Report to the Minister of National Defence, August 2003) as paraphrased in Canadian American Strategic Review, "Streamlining Defence Procurement: Can NDHQ Deliver?" [www.sfu.ca](http://www.sfu.ca) accessed 19 August 2005.
- <sup>24</sup> Interis Consulting Inc., pp. 7-8.
- <sup>25</sup> See, for example, John McCallum, "Embracing Reallocation, Embracing Change," speech to the Canadian Defence Industries Association, Ottawa, 22 October 2003.
- <sup>26</sup> Department of National Defence, *National Defence Strategic Capability Investment Plan* (Ottawa, November 2003), part 3.
- <sup>27</sup> Access to Information request #A-2003-00986/3-4, 25 March 2003, p. 474.
- <sup>28</sup> Email to the author from M.W. Fawcett, 6 December 2005.
- <sup>29</sup> Author interview with M.W. Fawcett, 29 August 2005.
- <sup>30</sup> *ibid.*, 8 December 2005.
- <sup>31</sup> Author conversation with M.W. Fawcett, 26 January 2006.
- <sup>32</sup> *ibid.*