



A Macdonald-Laurier Institute Publication

# Commentary

January 2016

#6 IN A SERIES

## FROM A MANDATE FOR CHANGE TO A PLAN TO GOVERN A New National Defence Policy For A Dangerous World

James Cox and Sean Speer

### INTRODUCTION

New defence minister Harjit Sajjan recently said that he will launch a review of national defence policy for completion by the end of 2016. The review was part of the Liberal Party's election platform and will ultimately form the basis for decision-making with respect to defence spending, procurement, and how and where Canadian military resources are deployed.

It is a different world from the one in which the previous government launched its 20-year Canada First Defence Strategy in 2008. The "surge" in Iraq had brought relative peace and security to that country, and the world was still unfamiliar with ISIS. Major defence procurement projects remained largely on their timelines and within budget. The global financial crisis had not yet surfaced to disrupt the government's fiscal position and plunge it into several years of deficit spending.

Since then, Russian adventurism in Crimea and Ukraine has reminded Western allies of a potential threat to democratic governments in Eastern Europe. The Arab Spring in 2011 has not lived up to its promise and intra-state conflict continues in the Middle East. China's economy is facing strong headwinds, but Chinese

*The authors of this document have worked independently and are solely responsible for the views presented here. The opinions are not necessarily those of the Macdonald-Laurier Institute, its Directors or Supporters.*

leaders continue to challenge US maritime influence in the western Pacific. Canada has come and gone from its combat mission in Afghanistan, but now finds itself engaged against ISIS in Iraq and Syria as part of a US-led international coalition. The price of oil has plummeted, the Canadian economy is faltering, and 2015 brought us a change of government. The time for a review of national defence policy has certainly come.

What will such a review entail? The minister has commented on the importance of getting the “how” part right (Smith 2016). That is indeed an important question: How will Canada equip its military and how will it carry out its missions and the other tasks that the government asks of it?

But no doubt the minister would agree that it is important to first ask “what?” and “why?”, as in: What kind of military should Canada have? And why will it be asked to go into combat?

These are the very consequential questions being debated right now as the government determines how we ought to contribute to the international coalition against ISIS. Should Canada focus on contributing to aerial bombing missions or training Kurdish fighters? It will be easier to make such decisions, and defend them to the public, once the government has had a chance to set out Canada’s overarching defence policy priorities.

It will not be easy. Fiscal circumstances continue to worsen. The federal bureaucracy can be resistant to change. The defence and security environment is unpredictable at best and explosive at worst. The conditions will invariably change but government should aim to establish a durable national defence policy that is supported by an effective and achievable defence procurement strategy.

The Macdonald-Laurier Institute’s mission is to help to inform sound public policy at the federal level. Our goal in this essay series is to help the new government best achieve its top policy objectives.

This sixth essay in the series will help Canadians better understand the current state of Canada’s defence policy and inform policy thinking as the new government begins its review.

We will then set out concrete recommendations that can contribute to a revised procurement strategy that positions the Canadian Armed Forces as the “agile, responsive and well-equipped military force” to which the Liberal Party (2015) has committed.

## **WHAT DO WE WANT FROM OUR MILITARY?**

The federal government has set out five defence policy statements since 1970 (Parliament of Canada 2010). The purpose of these documents has been to put forward the government’s vision for defence policy, including the role of the Canadian Armed Forces. At its core, a defence policy statement is concerned with the “what” and “why” of things, as noted above. It is supposed to set out broad principles of action such as prioritizing our Arctic sovereignty or cooperating with the United States in the defence of North America, and high-level priorities such as emphasizing interoperability with US forces over multilateral cooperation on United Nations missions. It may also set the level of budgetary resources to be devoted to defence. But the implementation-level questions – or the “how” as the minister has put it – including procurement, flow from a greater understanding of what the Canadian military is and what we want it to do.

The last policy statement of this type from a Liberal government was the 2005 International Policy Statement. The International Policy Statement represented an attempt by the then-Martin government to set out a comprehensive approach to foreign affairs that encapsulated the military, diplomacy, international trade, and development assistance. Its “doctrine of activism”, as the prime minister’s foreword described it, was consistent with that government’s general ambition and wide-ranging priorities (Government of Canada 2005).

The goal was to set out a vision for Canadian defence policy that was then to be followed by accompanying strategies that addressed these “how” issues. The statement placed the threat of terrorism at the top of Canada’s security and defence priorities and rightly recognized the risks posed by failed states.<sup>1</sup> It listed myriad roles and tasks for the Canadian Armed Forces, as well as a list of specific capabilities and major equipment needed in the future, but because it remained at a high level, it did not do much to help guide procurement activity.

## THE CANADA FIRST DEFENCE STRATEGY

The Harper government released the Canada First Defence Strategy (CFDS) in 2008 as its expression of a new, more focused agenda for the Canadian Armed Forces. The Conservatives had placed a renewal of the military high among their policy priorities (the Conservative Party 2006 electoral platform says: “We need to strengthen Canada’s independent capacity to defend our national sovereignty and security”) and the CFDS was an effort to establish a strategic foundation for its defence programme.

The CFDS could perhaps be described as the polar opposite of the Martin government’s International Policy Statement. It was less a vision statement and more a formulation of “core” functions for the Canadian Armed Forces and the inputs – including personnel, equipment, readiness, and infrastructure – required to carry them out.<sup>2</sup> It also reconfirmed what was described as “predictable, long-term funding” to acquire these assets and resources. This growth agenda with respect to personnel and military hardware was ambitious. The plan set out goals for growing the size of the Regular Force to 70,000 and the Reserve Force to 30,000, as well as acquiring destroyers and frigates, maritime patrol aircraft, fixed-wing search and rescue aircraft, new fighter aircraft, and a fleet of modern combat vehicles and systems.

The CFDS was well-intended and made positive progress on some procurement projects, including the opening of the Arctic Training Centre at Resolute, the upgrading and modernizing of the Aurora patrol aircraft fleet, ordering up to six new Harry DeWolf-class Arctic Offshore Patrol Ships, and acquiring 550 upgraded and more powerful LAV III light-armoured vehicles.

But the CFDS had weaknesses. It was mainly a procurement strategy that enumerated priority assets and equipment rather than serving as an expression of government defence policy. It largely described roles or activities rather than firm political objectives from which those roles might be derived. It also failed to provide much basis for the capabilities and capacities required.

The new government should seek to avoid these weaknesses by combining the approaches of the Martin and Harper governments. Get the overarching policy right before deciding which particular armoured vehicle or helicopter is needed to do the job. In other words, the government should avoid the mistake of becoming preoccupied with “how” before deciding the “what” and “why”. The key, then, is for the government to start

by properly crafting a durable policy vision for Canada's military. Policy is the big vision. Strategy is the big idea of how to implement it.

It is important to note that the rest of this essay will not dictate the right priorities and values. The "what" and "why" will ultimately be up to the government to decide. These are important questions and the Liberal Party platform provides limited insight into the new government's priorities. Its election platform and accompanying communication materials contain platitudes about peacekeeping and restoring Canada's reputation as an "honest broker" but fail to set out an underlying vision for Canadian defence policy, such as a return to the previous Liberal government's doctrine of the "Responsibility to Protect", or an adoption of the Obama Administration's more realist approach to these matters. A well-defined defence policy will be critical as the government is bound to face tough decisions – such as the current one with respect to the ISIS mission – throughout its mandate.

This essay does not purport to provide answers to these fundamental questions. These will be the subject of the government's review and public consultations. The focus of our analysis is to help the government think about the right procurement strategy to meet the demands of its eventual policy statement. Irrespective of how the government chooses to answer the "what" and the "why" it will then need to answer the "how", and our goal is to help inform their thinking in this regard.

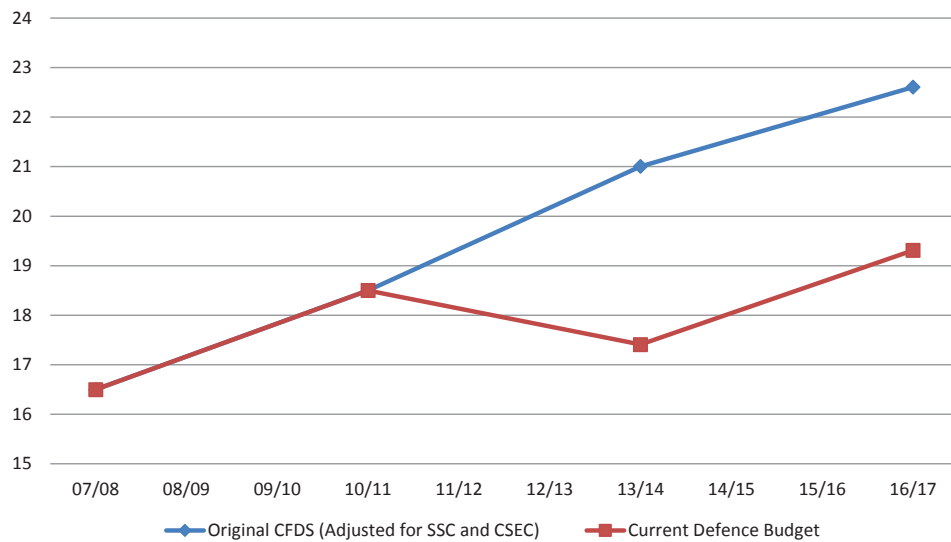
## **PROCUREMENT INTENTIONS MEET FISCAL REALITY**

The CFDS had three major weaknesses as a "how" document: (1) a lack of prioritization, (2) a deteriorating fiscal environment, and (3) delays in the procurement process.

Lacking "strategic prioritization" means each procurement was treated as equally important. The CFDS left little room for the government to make judgments about trade-offs. It has been described by two well-regarded security and defence policy scholars as an economizing "Walmart approach" to military expenditures (Leuprecht and Sokolsky 2015). This may have been a consequence of being conceived during a time of budgetary surpluses. Large fiscal surplus diminished the need to make choices.

The CFDS was different from previous defence policy statements with respect to its detailed financial plan. Its 20-year funding line included significant detail about how the budget would be allocated among its major components with a specific itemization of the major capital equipment procurements. But the economic and fiscal context soon changed – for the worse. The CFDS launch occurred roughly six months prior to the onset of the global financial crisis. The recession consumed the government's attention and fiscal resources, and soon led to reductions across departments, including the Department of National Defence (DND). The combined results of fiscal tightening and capital budget reprofiling due in large part to procurement delays reduced defence spending by \$3.6 billion in 2013/14 (see chart 1).

**Chart 1: CFDS initial funding versus pre-budget 2015 envelope (\$B)**



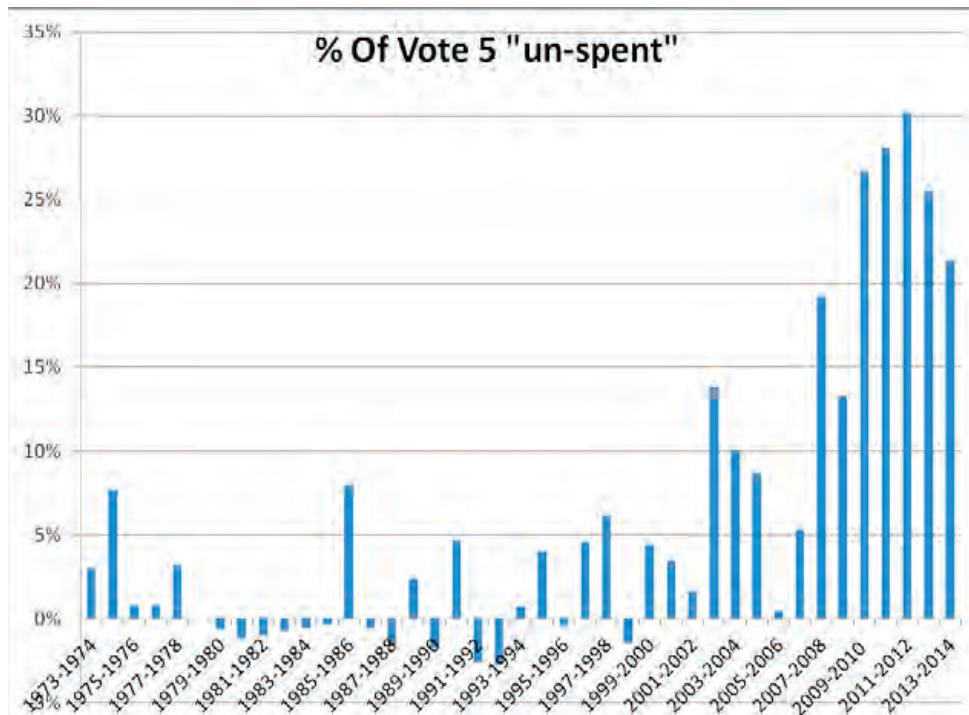
Source: Perry 2015b, Figure 1, page 3.

The 2015 federal budget sought to restore some of that funding. In particular, it committed to increase the annual defence budget escalator from 2 percent to 3 percent per year beginning in 2017/18. Over a 10-year period, this will provide \$11.8 billion in incremental funding for DND and the Canadian Armed Forces. But it still means that there is a funding gap in the short-term that will require greater prioritization on the part of the government based on DND’s needs and strategic advice. As Dave Perry (2014), a defence policy expert, writes: “A renewed defence policy is needed to re-align DND’s current fiscal framework with strategic direction.”

The third challenge that the CFDS has faced is procurement delays. Problems with military procurement go back a long way and are hardly unique to the CFDS or the Harper government. Past studies by Parliamentary Committees, academia, former officials, industry groups, and the Auditor General have found fault with Canadian procurement processes. These reports generally focused on high-profile Major Crown Projects (those exceeding \$100 million) that have experienced significant issues. Unfortunately, the list is long.

But delays under the CFDS have been particularly problematic. One way of measuring this is by reviewing DND’s ability to spend its procurement budget. Such a review reveals the current problem is “historically unprecedented” (Perry 2015a). From 2007/08 to 2013/14, an average of 21 percent of the available funds supplied by Parliament (a combined \$7.2 billion) was not spent as intended. By comparison, the historical average dating back to 1973 was only 2 percent (see chart 2).

**Chart 2: Percentage of capital budget unspent as planned**

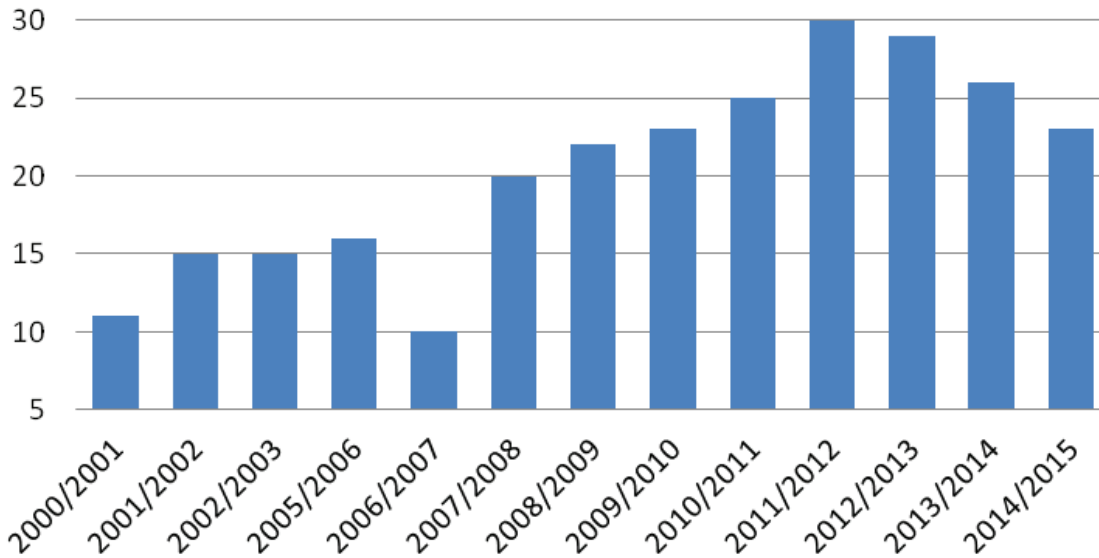


Source: Perry 2015a, page 6.

It is difficult to assess the source of these delays. Two reasons may be risk aversion and too much internal “red tape.” Consider, for instance, that internal reporting requirements increased by 50 percent in the past five years alone (Perry 2015a).

Another reason may be the increase in procurement workloads. There was roughly a threefold increase in the number of projects reported by the department between 2000 and 2011 (see chart 3). There are currently 13 projects worth a billion dollars or more underway, including the major shipbuilding project, all of which are highly complex in nature.

**Chart 3: Number of DND Major Crown Projects**



Source: Perry 2015a, page 7.

This type of undertaking has not been matched with a corresponding increase in the department’s project management resources. The department’s procurement arm had been the subject of significant budget cuts in the 1990s and overall staffing levels remain considerably lower than they were prior to these reductions. Not only have staffing levels fallen but there have also been concerns about a lack of experience among personnel engaged in major procurement processes. The so-called “procurement holiday” of the 1990s has left the current workforce with limited experience in complex procurements.

As one study published by the Macdonald-Laurier Institute puts it: “The disparity between workload and capacity since 2007/2008 lies at the heart of much of the procurement delay experienced present day. It is simply unreasonable to expect that fewer people can cope with a significant expansion in workload” (Perry 2015a). It is worth recognizing that any analysis of the government’s overall procurement capacity is limited by the reality that officials from other departments such as the Department of Public Works and Government Services, the Department of Industry, and Department of Finance are also involved in the process.

While the CFDS had some strengths as a plan to rebuild the capacity of the Canadian Armed Forces and provide them with the assets they needed, it ultimately ran into major procurement difficulties. The new government’s review of defence policy must tackle these questions, and offer guidance on strategic prioritization, adequate fiscal resources, and procurement reform for an effective national defence procurement strategy.

## TOWARD A NEW DEFENCE PROCUREMENT STRATEGY

The challenges with defence procurement remain significant. Consider, for instance, that despite the pressing need for new equipment and parliamentary approval to replace almost every major piece of military hardware in its inventory, the DND has been unable to *actually* spend the billions of dollars allocated to equipping our future fighting forces.

The worst example is the replacement of Canada's ageing fleet of CF-18 fighter jets. After the Auditor General's 2012 report criticized the process that led the government to select the F-35 Joint Strike Fighter, the project was placed on hiatus pending the completion of a seven-point plan. That effort has since been completed, yet the government has still not made a decision about the project's future.

While unspent monies have improved the government's overall fiscal bottom line, DND has lost hundreds of millions in purchasing power due to inflation (Perry 2015b). The result is that it will be forced to acquire fewer or less capable ships, aircraft, and trucks if it is to keep its procurement expenditures within the current budget. It may also mean that the military will need to wait longer for new equipment, risking obsolescence sooner than expected after delivery.

Partly in response to these ongoing delays, the previous government launched the Defence Procurement Strategy in February 2014. The strategy's two principal objectives are (1) to improve the procurement system and (2) to increase the domestic economic benefits of the procurement process. It represents, at least in principle, a "massive shift in the way Canada acquires military equipment" (Perry 2015a).

Among the changes envisioned in the strategy are an effort to ensure greater co-operation between departments, to better align military requirements, fiscal resources, and contracting rules and processes, and to secure "joined up" decision-making whereby key departments and agencies such as the Department of Finance and the Privy Council Office are more involved throughout the life of a project.

Another key reform was the promulgation of an annual Defence Acquisition Guide that sets out the department's top procurement priorities. The guide is to be updated on an annual basis and substantially revised every three years.<sup>3</sup> The goals are (1) to impose greater discipline on the department, and the government as a whole, to think more strategically about procurement priorities and the potential to leverage them for economic opportunities and (2) to provide a signal to the defence industry and potential bidders/suppliers of the government's priorities so that they can make informed research and development and capital investment decisions based on defence requirements. This process should provide the basis for more effective prioritization than was found in the CFDS.

## THE NEW GOVERNMENT'S PLAN

The Liberal Party's (2015) platform makes several commitments with respect to Canada's defence policy, including an intention to conduct "an open and transparent review process of existing defence capabilities, with the goal of delivering a more effective, better-equipped military." The new minister, who previously served as an Army Reserve officer in the Canadian Armed Forces, with four overseas operational tours under his belt, has reaffirmed the plan for such a review to be completed by the end of 2016.



The details about the review's scope are still under development, but early signals suggest it will be comprehensive and may more closely resemble the 2005 International Policy Statement than the 2008 Canada First Defence Strategy. The minister has said, for instance, that defence policy needs to be placed "in a wider context that suits the needs of the vision that our government is setting" (Smith 2016).

He has also signaled that he understands that improving the procurement process is critical. Early signs suggest that the minister is asking the right questions with respect to procurement capacity including the size and expertise of the workforce, and is "very focused" on making the procurement process more efficient.

With respect to funding levels, the new government has committed to maintaining its predecessor's increase in the most recent federal budget but refrained from speculating further on what additional resources it may dedicate to achieving its goal of an "agile, responsive and well-equipped military force."

## **RECOMMENDATIONS FOR A REFRESHED DEFENCE POLICY AND PROCUREMENT STRATEGY**

The government has pledged that its review of defence policy will be "open and transparent." There is even speculation that it will involve formal public consultations. Here are our recommendations for consideration as the government looks forward to a refreshed defence procurement strategy in concert with its new national defence policy.

Lessons from the past suggest that the government must establish (1) policy guidance on prioritization with respect to capabilities and assets, (2) adequate, predictable funding, and (3) a more effective and efficient procurement process to better execute the national defence policy.

Crafting a refreshed defence procurement strategy should involve an exercise of prioritization derived from first establishing our national defence policy objectives and keeping in mind Canada's comparative advantages such as our well-trained infantry and special operations forces. This will help ensure that resources – both financial and human – are properly targeted.

As part of this exercise, the government will need to update its procurement strategy. Part of this will invariably involve assessing what parts of the CFDS procurement plan are still affordable in lieu of lost buying power and a constrained budget. It will also involve incorporating any new procurement needs flowing from the government's review of defence policy. Financial resources should be directed to a few key priorities instead of simply buying a little less of everything. This should be accompanied by improved efforts to cost defence projects according to an accepted, government-wide life-cycle costing framework that reflects the realities of the Canadian government's procurement system. The conflict between the Parliamentary Budget Officer and the Auditor General on the life-cycle costing of the F-35 is an example of the need for a broadly-accepted methodology.

Consistent, predictable funding is the second key ingredient for an effective defence procurement strategy. The new government's affirmation of the recent budget increase is a good first step. But it must also exercise caution in any efforts to squeeze budgetary savings by "reducing the size of administration" (Liberal Party 2015). The potential for greater administrative savings is likely overstated and could lead to a further erosion

of the department's procurement capacity. The number of procurement officials per \$1 billion spent on capital projects fell from 3000 in 1989/90 to 1800 staff per billion dollars of capital projects by 2009 (Perry 2015a). That number has since stabilized but the department's procurement officials are still expected to manage almost twice the workload, by dollar value, than they were managing two decades ago.

Arbitrary defence cuts in the name of greater efficiency, then, are not the solution to the government's fiscal constraints. Instead the goal of the review should be to adjust military needs and capabilities to better reflect fiscal resources through a process of prioritization. This will invariably involve some tough questions but it is ultimately a much better approach than a one-off spending cut.

Finally, a key area for further reform is the procurement process itself. The current Defence Procurement Strategy represents an improvement, but there are still issues with respect to procurement capacity and internal decision-making. Even a good strategy will ultimately flounder if the department is unable to acquire new assets and resources on-schedule and within budget.

Part of a refreshed procurement strategy will need to focus on improving the capacity of DND's procurement workforce. Over the last decade, the number of big and complex defence projects increased significantly, but the procurement workforce did not, resulting in too few people, with too little experience, spending too little time on complicated files before rotating off to their next job. The system needs more experienced procurement experts, increased access to training and professional development, and retention of trained personnel in key positions. This will probably require shifting resources in light of the government's overall budget constraints.

The workforce should be assigned based on a prioritized shortlist of key projects. Given their strategic importance and huge costs, the new fighter jet and entire shipbuilding program should top the list. Other priorities may include acquiring greater satellite capacity in the North and expanding the use of domestic simulators for flight training.

There is also a need to build stronger communications among DND, other parts of government, and the defence industry. The current Defence Procurement Strategy has begun to break down the "silo" mentality by establishing an inter-departmental working group and annual reporting through the Defence Acquisition Guide. But more can be done to strengthen engagement inside government and with industry through regular briefings and greater transparency in order to provide more honest, two-way dialogue. It is not in DND's interest to be perceived as a "black box" by other departments and agencies and industry. It is this type of perception that contributes to a lack of trust and ultimately more red tape and delays.

## CONCLUSION

The defence and security environment remains volatile and we need a strong, robust Canadian Armed Forces to protect our national security at home and abroad. The new government has committed to conducting a comprehensive review of Canadian defence policy and intends to consult widely on the values, interests, and priorities upon which that policy should be based.

This is an important exercise that must first answer the “what” and “why” for Canadian defence policy before the government is ready to fully determine the “how”. It should build on the lessons of the previous government’s Canada First Defence Strategy, including the need for a credible, effective, and efficient defence procurement strategy capable of supporting defence policy.

This essay sets out clear, concrete recommendations to help the government achieve its objective of “lay[ing] out a realistic plan to strengthen Canada’s Armed Forces,” with a particular focus on a refreshed defence procurement strategy. Our recommendations stem from an analysis of major challenges that plagued the 2008 CFDS including a lack of strategic prioritization, fiscal limitations, and procurement delays. Irrespective of what the government ultimately decides with respect to its overarching priorities, these are key ingredients – what the minister has called the “how’ part” – to help ensure its policy is on a strong footing and Canada’s Armed Forces have the equipment and personnel they need to defend Canada and support our allies when called upon in the future.

## ABOUT THE AUTHORS



### SEAN SPEER

Sean Speer is a Senior Fellow at the Macdonald-Laurier Institute. He previously served in different roles for the federal government including as senior economic advisor to the Prime Minister and director of policy to the Minister of Finance. He has been cited by *The Hill Times* as one of the most influential people in government and by *Embassy Magazine* as one of the top 80 people influencing Canadian foreign policy. He has written extensively about federal policy issues, including personal income taxes, government spending, social mobility, and economic competitiveness. His articles have appeared in every major national and regional newspaper in Canada (including the *Globe and Mail* and *National Post*) as well as prominent US-based publications (including *Forbes* and *The American*).

Sean holds an M.A. in History from Carleton University and has studied economic history as a PhD candidate at Queen's University.



### JAMES COX

Brigadier-General (Retired) Dr. James (Jim) S. Cox completed a 35-year military, mainly in operationally oriented command and staff positions across Canada and on five continents. He commanded 3rd Battalion, The Royal Canadian Regiment from 1985–87, served as Deputy Commander of the Special Service Force from 1991–92 and then as the Military Chief of Staff of the United Nations Operation in Somalia, from 1992–93. Upon return to Canada, Jim was appointed Commander, 1 Canadian Mechanized Brigade Group in Calgary. In 1995 he became Director General Land Force Development at National Defence Headquarters in Ottawa. From 1996 until 1998, he held the post of Army Command Inspector. In 1998, Jim became Deputy Chief of Staff

Intelligence at Supreme Headquarters Allied Powers Europe in Mons, Belgium, where he served until his retirement from the Canadian Forces in 2001.

Along the way Jim completed six operational tours of duty with the United Nations in Cyprus, Central Africa, and Somalia, and three operational NATO missions in Europe. He has trained with the United States Army, The United States Army Green Berets, The United States Marine Corps, the British Army, the British Army Special Air Service, and the British Royal Marines.

Jim studied at the NATO Defence College in Rome and is a graduate of the University of Manitoba, the Canadian Army Command and Staff College, and the Canadian Forces College. He holds an MA and PhD in War Studies from the Royal Military College of Canada. In 1993, Jim was awarded the Order of Military Merit in the grade of Officer, by the Governor General of Canada. In 2013, he received the Queen's Diamond Jubilee Medal for his continuing service to Canada.

After retiring from the Canadian Forces, Jim served as an analyst in the Library of Parliament, from 2005–2011, supporting the House of Commons Special Committee on the Canadian Mission in Afghanistan, the House of Commons Standing Committees on National Defence and Veterans Affairs, the Standing Senate Committee on National Security and Defence, the Senate Subcommittee on Veterans Affairs, and the Canadian delegation to the NATO Parliamentary Assembly. From 2013–15 Jim held the position of Vice-President Academic Programs with the Canadian Military Intelligence Association (CMIA). He now sits on the CMIA Academic Program Committee as well as teaching Canadian foreign policy at the University of Ottawa and civil-military relations at Carleton University's Norman Paterson School of International Affairs. Jim is also a Senior Fellow with the Macdonald-Laurier Institute in Ottawa.

## REFERENCES

- Conservative Party of Canada. 2006. *Stand Up for Canada: Conservative Party of Canada Federal Election Platform 2006*. Conservative Party of Canada. Available at [https://www.poltext.org/sites/poltext.org/files/plateformes/can2006pc\\_plt\\_en\\_14112008\\_165519.pdf](https://www.poltext.org/sites/poltext.org/files/plateformes/can2006pc_plt_en_14112008_165519.pdf).
- Department of National Defence. 2015. "Minister of National Defence Announces First Refresh to the Defence Acquisition Guide." Department of National Defence news release, May 27. Available at <http://news.gc.ca/web/article-en.do?nid=980509>.
- Government of Canada. 2005. *Canada: International Policy Statement (Overview) 2005*. Ministry of National Defence of Canada. Available at <http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?lang=en&id=156830>.
- Leuprecht, Christian, and Joel J. Sokolsky. 2015. "Defense Policy 'Walmart Style': Canadian lessons in 'not-so-grand' Grand Strategy." *Armed Forces & Society* 41 (3): 541–562. Available at [http://post.queensu.ca/~leuprech/docs/articles/Leuprecht\\_Sokolsky\\_2015\\_Defence%20Policy\\_Walmart%20Style\\_Armed%20Forces\\_Society.pdf](http://post.queensu.ca/~leuprech/docs/articles/Leuprecht_Sokolsky_2015_Defence%20Policy_Walmart%20Style_Armed%20Forces_Society.pdf).
- Liberal Party of Canada. 2015. "Real Change: A New Plan for a Strong Middle Class." Liberal Party of Canada. Available at <https://www.liberal.ca/files/2015/10/New-plan-for-a-strong-middle-class.pdf>.
- National Defence and the Canadian Armed Forces. 2008. *Canada First Defence Strategy*. Government of Canada.
- Parliament of Canada. 2010. "White Papers: Complete list." Parliament of Canada. Available at <http://www.lop.parl.gc.ca/ParlInfo/Compilations/FederalGovernment/PaperList.aspx?Menu=Fed-Doc-White&Paper=c6a4db8e-e464-430b-bbfe-ca77532e9ccb>.
- Perry, Dave. 2014. "Dollars and Sense: CFDS(R): Renewint the Canada First Defence Strategy." *Canadian Naval Review* 10 (2): 36–37. Available at <http://www.navalreview.ca/wp-content/uploads/public/vol10num2/vol10num2art7.pdf>.
- . 2015a. *Putting the 'Armed' Back Into the Canadian Armed Forces: Improving defence procurement in Canada*. CDA Institute and Macdonald-Laurier Institute, January. Available at <http://www.macdonaldlaurier.ca/files/pdf/MLIdefenceprocurement.pdf>.
- . 2015b. "A Primer on Recent Canadian Defence Budgeting Trends and Implications." *The School of Public Policy Research Papers* 8 (15): April. Available at <http://policyschool.ucalgary.ca/sites/default/files/research/canadian-defence-budgeting-perry.pdf>.
- Smith, Marie-Danielle. 2016. "Defence Minister: Military review to be completed by end of 2016." *Embassy*, January 13. Available at <http://www.embassynews.ca/news/2016/01/13/defence-minister-military-review-to-be-completed-by-end-of-2016/48092>.

## ENDNOTES

1 The document states: “Among the greatest contemporary security threats are those resulting from a large number of fragile and poorly governed states. These countries pose a dual challenge for Canada. The refugee flows that they create not only represent a humanitarian tragedy, but also undermine the stability of neighbours and entire regions. More ominously, the weakness of failed states makes them obvious breeding grounds for terrorist networks and organized crime, which can directly threaten the security of Canadians” (Government of Canada 2005).

2 The strategy sets out six “core missions” comprised of: 1) Conduct daily domestic and continental operations, including in the Arctic and through NORAD, 2) support a major international event in Canada, such as the 2010 Olympics, 3) respond to a major terrorist attack, 4) support civilian authorities during a crisis in Canada such as a natural disaster, 5) lead and/or conduct a major international operation for an extended period, and 6) deploy forces in response to crises elsewhere in the world for shorter periods (National Defence and Canadian Armed Forces 2008).

3 See here for the 2015 edition of the Defence Acquisition Guide: <http://news.gc.ca/web/article-en.do?nid=980509>.

## Critically Acclaimed, Award-Winning Institute

**The Macdonald-Laurier Institute fills a gap in Canada's democratic infrastructure by focusing our work on the full range of issues that fall under Ottawa's jurisdiction.**

- The Macdonald-Laurier Institute fills a gap in Canada's democratic infrastructure by focusing our work on the full range of issues that fall under Ottawa's jurisdiction.
- One of the top three new think tanks in the world according to the University of Pennsylvania.
- Cited by five present and former Canadian Prime Ministers, as well as by David Cameron, the British Prime Minister.
- First book, *The Canadian Century: Moving out of America's Shadow*, won the Sir Antony Fisher International Memorial Award in 2011.
- *Hill Times* says Brian Lee Crowley is one of the 100 most influential people in Ottawa.
- *The Wall Street Journal*, *The Economist*, *The Globe and Mail*, *The National Post* and many other leading national and international publications have quoted the Institute's work.



"The study by Brian Lee Crowley and Ken Coates is a 'home run'. The analysis by Douglas Bland will make many uncomfortable but it is a wake up call that must be read."

FORMER CANADIAN PRIME MINISTER PAUL MARTIN ON MLI'S PROJECT ON ABORIGINAL PEOPLE AND THE NATURAL RESOURCE ECONOMY.

## Ideas Change the World

Independent and non-partisan, the Macdonald-Laurier Institute is increasingly recognized as the thought leader on national issues in Canada, prodding governments, opinion leaders and the general public to accept nothing but the very best public policy solutions for the challenges Canada faces.



# About the Macdonald-Laurier Institute

## What Do We Do?

**When you change how people think, you change what they want and how they act.** That is why thought leadership is essential in every field. At MLI, we strip away the complexity that makes policy issues unintelligible and present them in a way that leads to action, to better quality policy decisions, to more effective government, and to a more focused pursuit of the national interest of all Canadians. MLI is the only non-partisan, independent national public policy think tank based in Ottawa that focuses on the full range of issues that fall under the jurisdiction of the federal government.

## What Is in a Name?

**The Macdonald-Laurier Institute exists not merely to burnish the splendid legacy of two towering figures in Canadian history – Sir John A. Macdonald and Sir Wilfrid Laurier – but to renew that legacy.** A Tory and a Grit, an English speaker and a French speaker – these two men represent the very best of Canada's fine political tradition. As prime minister, each championed the values that led to Canada assuming her place as one of the world's leading democracies.

We will continue to vigorously uphold these values, the cornerstones of our nation.



## Working for a Better Canada

**Good policy doesn't just happen; it requires good ideas, hard work, and being in the right place at the right time.** In other words, it requires MLI. We pride ourselves on independence, and accept no funding from the government for our research. If you value our work and if you believe in the possibility of a better Canada, consider making a tax-deductible donation. The Macdonald-Laurier Institute is a registered charity.

## Our Issues

**The Institute undertakes an impressive programme of thought leadership on public policy. Some of the issues we have tackled recently include:**

- Getting the most out of our petroleum resources;
- Ensuring students have the skills employers need;
- Aboriginal people and the management of our natural resources;
- Controlling government debt at all levels;
- The vulnerability of Canada's critical infrastructure;
- Ottawa's regulation of foreign investment; and
- How to fix Canadian health care.



CELEBRATING



*5 Years of True North in Canadian Public Policy*

**CONTACT US:** Macdonald-Laurier Institute  
8 York Street, Suite 200  
Ottawa, Ontario, Canada K1N 5S6

**TELEPHONE:** (613) 482-8327

**WEBSITE:** [www.MacdonaldLaurier.ca](http://www.MacdonaldLaurier.ca)

**CONNECT WITH US:**



Scan this QR code to get your copy of our iPhone app or to visit our mobile website



@MLInstitute



[www.facebook.com/MacdonaldLaurierInstitute](http://www.facebook.com/MacdonaldLaurierInstitute)



[www.youtube.com/MLInstitute](http://www.youtube.com/MLInstitute)

## What people are saying about the Macdonald-Laurier Institute

---

*In five short years, the institute has established itself as a steady source of high-quality research and thoughtful policy analysis here in our nation's capital. Inspired by Canada's deep-rooted intellectual tradition of ordered liberty – as exemplified by Macdonald and Laurier – the institute is making unique contributions to federal public policy and discourse. Please accept my best wishes for a memorable anniversary celebration and continued success.*

THE RIGHT HONOURABLE STEPHEN HARPER

*The Macdonald-Laurier Institute is an important source of fact and opinion for so many, including me. Everything they tackle is accomplished in great depth and furthers the public policy debate in Canada. Happy Anniversary, this is but the beginning.*

THE RIGHT HONOURABLE PAUL MARTIN

*In its mere five years of existence, the Macdonald-Laurier Institute, under the erudite Brian Lee Crowley's vibrant leadership, has, through its various publications and public events, forged a reputation for brilliance and originality in areas of vital concern to Canadians: from all aspects of the economy to health care reform, aboriginal affairs, justice, and national security.*

BARBARA KAY, NATIONAL POST COLUMNIST

*Intelligent and informed debate contributes to a stronger, healthier and more competitive Canadian society. In five short years the Macdonald-Laurier Institute has emerged as a significant and respected voice in the shaping of public policy. On a wide range of issues important to our country's future, Brian Lee Crowley and his team are making a difference.*

JOHN MANLEY, CEO COUNCIL