



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

## Standing Committee on National Defence

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NDDN



NUMBER 083



1st SESSION



42nd PARLIAMENT

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EVIDENCE

**Tuesday, February 27, 2018**



**Chair**

**Mr. Stephen Fuhr**



## Standing Committee on National Defence

Tuesday, February 27, 2018

• (0855)

[English]

**The Chair (Mr. Stephen Fuhr (Kelowna—Lake Country, Lib.)):** I'd like to welcome everybody this morning to our continuing discussion about Canada's involvement in NATO. Specifically I'd like to welcome the Honourable Bill Graham, former Minister of National Defence, and Vice-Admiral Robert Davidson, Canada's former military representative to NATO.

Gentlemen, thank you for coming and thank you for your patience.

Mr. Graham, I'll give you the floor for your opening remarks.

**Hon. William C. Graham (Former Minister of National Defence (2004-2006) and Former Minister of Foreign Affairs (2002-2004), As an Individual):** Thank you, Mr. Chairman. Thank you very much for having me and for being willing to listen to what I have to say. I'm so far out of things now, but I've had an opportunity to look at some of the transcripts and seen the evidence of Ambassador Buck and General Hainse and others who have come before you. I don't really think I can add anything of significance, any up-to-date knowledge of NATO, the way they were able to. Therefore, I thought that maybe I could just share a few personal experiences with you and give you the odd political perspective I have, from my experience.

Certainly, from my perspective, having participated in the exercise of the defence review, where I was one of the four members of a panel along with Louise Arbour, General Henault, and others, to help the minister with the defence review, I totally subscribe to what the defence review says, which is that NATO has been a central pillar of Euro-Atlantic defence and a cornerstone of Canadian defence policy and security since 1949, and I expect that it will remain a cornerstone of our defence and security policy for the foreseeable future.

It's not something that we would remember around this table, but there have been times when NATO's relevance to Canada has been questioned. It certainly was not when I was in your place, and particularly when I was chairman of the House of Commons Standing Committee on Foreign Affairs and International Trade. At that time, in the early nineties, NATO was in full expansion, and Canada was a strong proponent of expanding NATO, including into the former Soviet satellite countries in Europe, such as Hungary, Latvia, Estonia, etc. NATO was seen not only as a way of providing security but also as a way of establishing an appropriate civil military relationship and strengthening democracy in the aspirant countries.

With that, I'd like to make a couple of comments about Russia. The Russians didn't see it that way. Now, I don't say this as an apologist for Russia, but I've always been a great believer that if you understand your opponent, if you understand a little bit about where they're coming from, it's always helpful to you. I had very good relations with my counterpart, Vladimir Lukin, who was chairman of the Russia Duma foreign affairs committee, and I had a very good relationship with Gennady Seleznyov, who was the chairman of the Duma at the time. I met with them regularly, often at the OSCE parliamentary assembly. They and other Russian contacts always said that NATO expansion was directed against Russia, and we would say, "This is crazy. It's not directed against you. The Hungarians understandably want some security. It's really about security for them, for the Poles, and for the Latvians, and everything. It's not against you."

However, it seemed to me that it was ingrained in their psyche that this was directed against their security. That's something I've always had difficulty with, understanding the extent to which it was just rhetoric, and the extent to which it was real angst on their part. You'll recall that in respect of ballistic missile defence, they took exactly the same position. It was directed against them when we assured them it was directed against a rogue state. It couldn't possibly be focused that way.

As you know, we sought to allay their fears with the Russia-NATO Council, and I was there in Rome with Mr. Chrétien and Mr. Bush and Mr. Putin when that was established. Probably some mistakes were made on both sides, but I think it would be naive to think today that Putin's policies haven't changed dramatically since that time.

So while it's important to keep a dialogue with Russia—and I read what Ambassador Buck said about that, that dialogue should remain open—it would be very naive not to recognize a renewed Russian threat, given Ukraine and Crimea; threats to the Baltic states; and interference in elections in Finland, the United States, and, as the chairman just mentioned, even possibly Canada today.

I therefore am a strong proponent of our deployment of Canadian troops in Latvia, in conjunction with our other NATO members, as a means of deterrence of any asymmetrical warfare activities such as those that occurred in Ukraine.

● (0900)

That said, I think Canada must strive to have a flexible enough foreign policy that we can collaborate as much as possible with Russia in the Arctic on search and rescue and other common objectives. This is a tricky foreign policy posture for Canada, but it's not above our ability to do it. The Arctic is a different space than the European space, and I think when it comes to Russia it's worth bearing that in mind.

Maybe I could just say something about my experience as a minister because I was both foreign minister and defence minister. As foreign minister I was very conscious of the fact that NATO was as much a political alliance as a defence alliance. Its rhetoric is about similar minded countries having values, etc. Now we have to come back to that because I think there are some cracks in that facade at the moment. Nonetheless, there was a strong political dimension to our relationship, and it was my privilege to be at several summits in Prague and Rome with Mr. Chrétien. Then I was a representative of Canada for the Istanbul summit, because it took place in the middle of the election. Mr. Martin couldn't go, so I went to represent Canada at that summit. I talked to Mr. Chirac beside me and then he'd sit beside Bush and then he'd sit beside somebody else. It's a very political organization and it's one where Canada plays that role very well and is in the middle of things, but I think you bear in mind that these are politicians. They respond well to political messages.

I can't tell you the warmth. We were in the middle of the election, and I can tell you that every leader in that room came up to me and asked if we had won last night, if I had won my seat, with some noting that we were a minority now. Everybody was fascinated by the politics of it, and that's part of it. I think it's less so at the defence minister's level, because it's more operational there, but at the foreign ministers and leaders level, there's a lot to do at NATO that is not necessarily just about NATO. It's about politics and relationship building, and I think that's important. That's a bit of a hobby horse of mine. I wrote a book in which I argue strongly in favour of collegiality built over time.

I would like to say one thing about Afghanistan and NATO. That political nature of the relationship with NATO was illustrated in Afghanistan. When Canada was approached to join a NATO mission with our Dutch and British allies in the south, President Karzai strongly urged us, and strongly urged me on many occasions, that Canada should take the leadership of that NATO mission because he wanted to see a NATO flag rather than an American flag over that part of his country. Now Karzai had difficulties with the Americans at times, as you'll know from your history, but I think that was in early days. It was a nationalist thing with the Afghans. They would prefer to see a multilateral flag, and the Americans appreciated that. They didn't see this as a threat to them in any way. They thought this was a good political manoeuvre, which I think it's a good example of how NATO plays a strong political role.

My criticism of NATO in Afghanistan would be that as Canadians I think it was our understanding when we went in there that we could rotate in for two years and rotate out again, and then possibly rotate in, etc. As you know, that never happened and we were very disappointed by our NATO allies. For future missions, I think we

need to make sure that we've got those exit strategies nailed into place so we don't get trapped as we did in that case.

One last thing—and I saw it came up in one of your earlier meetings—is the issue of detainees. It seems to me NATO should have known there were going to be problems with detainees. The Canadians, the Americans, the British had them. Anybody who had to deal with detainees had problems. If it has a multilateral mission of this nature, why wouldn't NATO consider having one of the NATO countries deal with the corrections aspect of this? Somebody should be responsible. You can't just dump everybody in, and in the middle of the fighting try to deal with this issue. NATO's organized enough that maybe this should be considered for them to deal with.

Now, I'd like to turn to Canada on the 2% issue. I know you've talked a lot about it and I know that we're committed to the 2% goal from the NATO Wales summit. I'm not a big fan of these metrics of 2%. I don't believe in the 0.7% either. Indeed, GDP goes up and down. These things move around. People can game the system. Accounting wise, there are all sorts of issues.

● (0905)

I think the defence review, "Strong, Secure, Engaged" deals pretty well with that issue on page 46 because it points out that it depends on what factors are included in the calculations. Ambassador Buck pointed out that while there are agreed upon principles, clearly, some people put some things in, and some people put things out.

The defence review did make a big point, and that is that our participation goes up when our capital expenditures go up. When I was on the Ministerial Advisory Panel on Canada's Defence Policy Review with the minister of defence, I spent most of my time in meetings with them saying that our percentage of capital investment was too low. We were down around 17% or 18%. The Australians told us we should be at 25%.

Mr. Chairman, I believe you're a pilot yourself. In a highly complicated world of high-tech, expensive equipment, Canada as a country shouldn't be below 23% to 25%, in my view. You can see that it's coming with the growth, with the new review, but I would argue strongly that that percentage is something the committee needs to keep an eye on.

I would also point out that the contribution of our special forces is often not looked at. It's what you have in capabilities and what you do. When I was there, George Robertson, who was then the secretary general, used to say—and he said it often in public meetings—“Well, Canada's a bit low on its inputs, but it's very big in its outputs.” We were big in outputs. We've been big in outputs.

You go through cycles. The last time I was in Rome, a couple of years ago, I said we were down. We were very unpopular, and Ambassador Buck told me we were very unpopular. Then we agreed to go to Latvia. Suddenly, we were popular again, so you know, you go through these cycles. We shouldn't be discouraged by that, but our outputs generally have been good.

Mr. Chair, may I conclude by making a couple of comments on my experience since government? I've had the opportunity of being the chair of Atlantic Council of Canada—now the NATO Council of Canada—and the Canadian International Council. I teach some courses in security at university. I think there's a concern about the level of knowledge of Canadians about security, defence issues, and if I could say so, the education we have amongst our public. I think the public support for the acquisition of the necessary assets and budget for our military is dependent on a better-informed public.

A recent poll done by IPSOS for the NATO Council was pretty discouraging. It showed that seven in 10 Canadian women were unable to identify NATO by its mission. Of millennials, 71% are unaware of NATO or its role. I think these numbers tell us something about what we have to do in terms of public education. I think that the defence review talked about more in that respect, but I think it's something for you to consider.

Last, as far as future challenges are concerned, the reading I'm doing at the moment shows that the traditional three domains of military activity—air, sea, and land—have now been extended to cyber and space. What is the role of NATO? When I left, NATO's role in cyber was considered just about its own cyber. It seems to me, with all these asymmetric activities of the Russians, I don't know that NATO can maintain that anymore.

Certainly, the president of Estonia—he used to speak to us about the Estonian attack—would not take that position, so I'm sure you're looking at the issue of cyber. Space is a very interesting, complicated, political issue, but the United States has now described space as a domain. What is NATO's role?

In Europe, what will be the consequences of Brexit? I'm very concerned about that. In my time, we were always concerned that the European defence initiatives be complementary to and not competitive with NATO. I would think that with Brexit and the complexities that are going to arise there, the new buzzword is PESCO. It is the European thing that is to be watched.

• (0910)

The issues of Hungary, Poland, and Turkey have come up with a couple of your members, so I won't raise that, but that certainly flags on my radar.

I would then leave it by saying that the NATO Parliamentary Assembly is a place where a lot of dialogue could take place among members of Parliament with those countries particularly, with Hun-

garian politicians, Turkish politicians. You can find out what they're thinking in their parliaments. I think it's very valuable.

Mr. Chairman, I would ask indulgence for something that is not directly relevant to this, which is that I've just come from a conference on Korea at Trinity College. It's been a very good conference. As one of the panellists said, with the present level of bellicose talk on both sides, there is lots of room for miscalculation. I would argue strongly that we should be looking at ballistic missile defence. This is a possibility. An explosion on Seattle would destroy Vancouver. This is something that I would strongly urge the committee.... It's time. It has strong bipartisan support, I understand, and I would argue it is a time of emerging threats where it should be done.

I will end there. Thank you very much.

**The Chair:** Thank you, sir.

Admiral, the floor is yours.

**Vice-Admiral (Retired) Robert Davidson (Canada's former Military Representative to the North Atlantic Treaty Organization, Royal Canadian Navy, As an Individual):** Thank you, Mr. Chair.

Ladies and gentlemen, it's a real pleasure to be here this morning and have an opportunity to share some of my ideas on the subject of NATO and more broadly on national defence.

My ideas and my thoughts are largely formed from a period of five years in Brussels watching our diplomats in action, watching the reactions around the table as we spoke, so it probably won't surprise you as I speak that I may say a few things where I would disagree with my esteemed co-witness this morning on some areas.

[*Translation*]

I will speak in English to go a bit faster, but if you have questions in French, I am ready to answer them in that language.

[*English*]

I understand that your interest here is largely to get me to talk about NATO. I know we'll get into specifics of NATO in questions, but I'd like to start a little more broadly on Canada's role and some of what I would call our national mythology or national faith in what we think the world thinks of Canada.

We all know Canada is a G7 nation, and it's a relatively wealthy nation, a member of both NATO and NORAD, a nation that aspires to influence the direction of global affairs. One of my favourite expressions is that with wealth comes responsibility. Let me repeat that: with wealth comes responsibility. The world might expect that Canada would accept its responsibilities and be a significant contributor to global security. Frankly, we are not. We are largely a consumer of security rather than a provider. We do not do our fair share. We allow the United States and others to be our guarantors. Consequently, our voice, our influence, is much less than we think it is.

We consistently fail to achieve agreed NATO and G7 targets on either security investment or international aid. At NATO, we like to brag that a nation's outputs, such as its contributions and overseas missions, are more important than its inputs, such as its defence budget. We've heard comment about that already this morning. My view is that we do this as a means to defer criticism from our key allies over our meagre levels of defence investment. When we develop our defence plans, we future load defence spending in the out years so that we can brag now about planned investments that rarely materialize when the time comes to put our money where our mouth is.

One might argue that the times are tough, that we do what we can, that spending is needed in other Canadian priorities such as health and education. Indeed, that's all true. However, the world is not getting any safer. When our allies talk about the world needing more Canada, as President Obama did, I don't think they mean that the world needs more Canadian words, more expressions of our values, no matter how eloquently our leaders might put them. They really mean that the world needs more Canadian actions, more contributions to security and international development. We can produce the best-trained military personnel in the world, and frankly, we do produce the best with what we have. It's remarkable what the Canadian Armed Forces does produce. However, without the equipment, the investment, and the resolve to contribute those forces when needed, frankly, we're a hollow force that is unable to sustain a meaningful and persistent contribution.

When we fail to live up to our foreign investment targets, we miss the opportunity to build meaningful relationships and to address the poverty that is often at the centre of emerging insecurity. Our allies want more Canadian action, more investment, more money, and frankly, less self-righteous talk. When we talk without making commitments, honestly, I really don't think they're listening.

We do some things well. Our commitment in Afghanistan was well appreciated while it lasted, and it's been quickly forgotten.

- (0915)

We could talk about that. I have some slightly different views on that.

Our contribution in Latvia is a particularly welcome addition for our eastern European allies. It's not meant to be a self-sustaining fighting force, so it's not a deterrent in terms of its military might, by any stretch of the imagination. Rather, it's a demonstration of commitment and an assurance that we will come if called. That's really what it's for. You might call it a bit of an international speed

bump: if the Russians were to roll over it, we would all come at the call, but it isn't going to slow them down very much.

If we all lived in eastern Europe—and it suffered most of the last 100 years under foreign occupation—we would all share their continuing concern about Russian adventurism. We too would want such a demonstration and such assurances on our soil, so it's a good thing, and it is a clear affirmation of the principles upon which the alliance rests.

However, the world has changed, or at least our perception of it should change. In the last 50 years, we in the west have deluded ourselves with a belief in the inevitability of the spread of western liberal democracy, western-style freedoms, and social justice. Surely everyone just wanted to be like us—that was the view.

Most pundits expected that the Arab Spring would bring such liberalization to the Middle East and North Africa, and it obviously hasn't, has it? Huge parts of this planet simply do not want what we have or what we believe in.

Human rights are no more universal than religious, conservative, or political beliefs. Even in the west, populism and a return to narrow values are putting democracy to the test. The last U.S. presidential election and Brexit are both fine examples where it seems democracy is no longer a fact-based exercise in political choice. Democracy itself is under siege.

For many people outside Canada, collective rights and security trump individual rights and freedoms. That's at the very centre of Russian thinking. That's why they don't think the same way we do. That's why they perceived the expansion of NATO closer and closer to their border as a security risk: it was bringing freedoms and open expression that would bring the instability that they saw, for example, in Chechnya. When free speech is viewed as destabilizing, how can freedom be preserved?

As a result, here we are in this challenging global dynamic. Vigilance and readiness have never been more important. State-on-state conflict has sadly re-emerged alongside terrorism as an existential threat. We could talk at length about the impacts on western security caused by recent Turkish actions, both domestically and in Syria, by China in the South China Sea, by North Korea with its ballistic missile capability, and by Russia in Crimea, the Ukraine, and let's not forget Georgia as well.

Yet, in the face of this crisis, the Canadian Armed Forces are slowly being disarmed. We don't even use the term Canadian Armed Forces all the time in our public speaking. Our naval capability has diminished. We have fewer ships, and certainly no area air defence capability any longer—something that was critical—and you know what the state of our tanker fleet is. The air force lacks the resources and fighter jets for a modern fight. The CF-18s need replacement with modern capability. We are lacking in areas like unmanned aerial vehicles, in surveillance assets, and in ballistic missile defence.

Let me also point out, this isn't just about defending Canada, although obviously it's well past time we started to do that. We've also made a commitment at NATO on deployable ballistic missile defence for NATO-deployed forces, and we have zero capability to do that.

We lack sufficient army personnel and equipment. Our capacity for urban warfare is limited. We have to rely on our allies for combat search and rescue, for attack helicopters, and for strategic lift, to name just a few.

• (0920)

We lack agility, flexibility and technology. We cannot operate meaningfully in the littoral, across the beach for example. I'm not talking here about an ability to do amphibious assault. I'm not suggesting that Canada should be able to do beach landings against other forces. Rather we don't have the simple ability to get resources across the shore in a humanitarian situation such as in our response to the earthquake in Haiti. I was the director of the Strategic Joint Staff during the response to Haiti. We had to get help from our American allies to get stuff across the beach. We did a lot of great things there but we lack key capabilities in that area.

If Canada were to choose to be a meaningful contributor to global disaster response, which I think is a great role for our nation, we need proper investment and we don't have the right investment in those areas. Our DART is very limited.

Our shortfalls in capability are simply across the board. Before anyone tries to lay the blame—I'm going to say this in this political environment—before anybody tries to lay the blame on any particular political party, let me say that the current and previous governments, and those that went before, all share the blame for letting domestic politics keep us from doing the right thing in foreign and defence policy.

Buying some more old fighter jets is another symptom of our inability as a nation to get our act together on foreign and defence policy in a comprehensive, multi-partisan way.

Finally, let me say this, our defence dialogue in this country is needlessly constrained by the tradition of keeping senior military leaders from speaking their mind publicly. Every serving general and admiral who has appeared before this committee and other committees around this Hill, with the possible exception of Rick Hillier, has been hamstrung by the government and the defence department of the day. You simply cannot expect to make well-considered policy choices in the absence of proper public discourse informed by frank military advice. I think Canadians deserve better.

I look forward to your questions. Thank you.

• (0925)

**The Chair:** Thank you.

We'll start up with seven-minute questions. Then I'll turn the floor over to Mr. Robillard.

The floor is yours.

[*Translation*]

**Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.):** Thank you, Mr. Chair.

I want to welcome the witnesses.

What is the importance, for Canada and for NATO, of the Canadian government's recent decision to participate in NATO's airborne warning and control system, or AWACS?

**Hon. William C. Graham:** As I am not familiar with that system, I cannot answer you. That is more of a technical matter.

**VAdm (Ret'd) Robert Davidson:** The decision related to AWACS was made while I was in Brussels, and only for budgetary reasons. Nevertheless, NATO could not use those airplanes because some countries among the many participants felt that those operations were not appropriate for NATO, especially those against refugees in the Mediterranean.

So I am not sure that our contribution to those multilateral or multinational missions is appropriate. For a few decades, our contribution was about \$1 billion, but the operational capacity deployed was not at the same level.

**Hon. William C. Graham:** May I add something?

**Mr. Yves Robillard:** Yes, go ahead.

**Hon. William C. Graham:** There have been a number of examples of this in the past, while I was minister.

NATO said it wanted to promise all its member countries certain operational tools, but as soon as the countries wanted to use those tools, they could not, since the country in question was already using that tool in its local operations or, as the vice-admiral was saying, disapproved of the mission in question for political reasons.

This is a major problem the entire NATO is facing. For NATO, it is difficult to plan this type of thing because, when the time came, the tools were often not available.

**Mr. Yves Robillard:** Okay.

Do you think Canada's role within NATO is likely to change further owing to the country strengthened engagement in Europe thanks to NATO's increased presence in Eastern Europe?

In that regard, why are Canada's ongoing military operations on NATO's eastern flank important from a geostrategic and security perspective?

**Hon. William C. Graham:** As I said during my presentation, I think that what we are doing in Eastern Europe is very important. According to what I understood after my visit to Brussels, there are many logistical issues involved. We have to try to figure out whether it is really possible to carry out this mission.

I am not convinced everyone understands that the nature of the asymmetrical war, which is currently being discussed, is the answer. A number of nations are part of this mission. If the Russians come, that will bring in the Italians, the British and us. That's the theory. We will see whether it will work or not. We are on fairly new ground that is pretty difficult to understand.

● (0930)

**VAdm (Ret'd) Robert Davidson:** NATO is founded on the principle of

[English]

One for all, and all for one.

[Translation]

The proof is in the action. For them, this is not something they can trust. We need to do something to show that we intend to be there if a threat arises. That's necessary after what happened in Georgia, in Ukraine and in Crimea.

**Mr. Yves Robillard:** Thank you, gentlemen.

[English]

**The Chair:** Mrs. Gallant.

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC):** Thank you, Mr. Chairman.

Admiral Davidson, there's talk in the news that our new supply ships—and the one that was just launched—are unarmed. To what degree will our navy be restricted in NATO naval missions as a result?

**VAdm (Ret'd) Robert Davidson:** It's not uncommon for AORs, tankers, not to be armed. Some of our allies operate their vessels in that way, and sometimes they've had to, as one might say, “button on” capability to a particular vessel if it has gone into an area where there's been a particular threat.

A decade ago I would have said that it was not a problem at all to have unarmed tankers, because we had destroyers that provided area air defence capability, and so one of our destroyers could have provided adequate protection for the tanker. We don't send our tankers anywhere without other ships.

Today, we only have Canadian patrol frigates available. They only have a point defence missile capability, and unless they're on the axis of the threat—between the tanker and a particular threat—they're really not able to defend the tanker.

In the short-term, absolutely, it will limit the ability to put the vessels in any kind of threat area. In the long-term, if we move forward with replacement ships that return that capability to Canada,

then it wouldn't necessarily be a problem. But that may not be within the budget at the moment. We'll see.

**Mrs. Cheryl Gallant:** Okay.

Reports as long as eight years ago were in the news, of Russia marketing a cruise missile system which can fit hidden inside a shipping container. Any one of these vessels containing one of these shipping containers could wipe out an aircraft carrier with what was available eight years ago.

How well equipped is our naval defence to deal with this kind of threat to our country?

**VAdm (Ret'd) Robert Davidson:** Well, I would say wholly inadequate.

Quite simply, we just don't have.... We have 12 Canadian patrol frigates, the world's longest coast line, a desire to contribute to deployed operations around the world. Our navy, I would say is, in my personal view, ridiculously small for a G7 nation.

**Mrs. Cheryl Gallant:** All right.

How important is it for us to have functioning submarines, to be a full participant in NATO naval missions?

**VAdm (Ret'd) Robert Davidson:** In my opening remarks I spoke about Canada aspiring to leadership. We aspire to leadership of military operations as well. So that's one aspect of why submarines are very important.

If you want to produce senior military or naval leaders who have a broad understanding of how to do warfare across the whole range of domains of maritime warfare, then they need experience in those areas. It's important that we have submarines from that perspective.

It's also important to have submarines from the perspective of information sharing. The submarine community is, I hate to put it this way, but it is a bit like a club. Information is shared if you're a member of the club; it isn't shared if you aren't. I found in many of the previous iterations of my career, it was remarkable the amount of information we had on the movement, not only of our own submarines, but of all of our allies' submarines, and where they were going. We had shared intelligence on the threats against submarines by being part of the club. That's also an aspect.

The other aspect as well is that of sovereignty. There is no other platform that we have in Canada that is as strategic in nature as a submarine. Why I say that is because a submarine has the ability to do what's called “area denial”. You put a submarine into a patch of water and nobody wants to go there. I can give you some examples of how we've actually used submarines in that respect even by Canada's standards. But when you put a submarine somewhere, even an aircraft carrier won't go there unless they have sanitized the area before they put their high-valued asset in.



Other nation's submarines don't want to necessarily go there. Because you don't know where the submarine is, and you can deploy it anywhere in your own sovereign water space, you have the capacity to deny anybody entering into those areas just simply because they don't want to get caught if they are violating territorial waters, for example.

On all of those areas, I'd say it's critically important that Canada continue to operate submarines. I've been a big proponent. I'm a submariner. I commanded a submarine. I've spent a lot of my career in submarines. I'm a very big fan of that capability. I think it's critically important that we retain it.

● (0935)

**Mrs. Cheryl Gallant:** Okay.

I have two quick questions for Mr. Graham.

You have the Russian background, so the Republic of Georgia has met the NATO standards—well, Ukraine is working towards them.

What do you believe is the barrier to their finally joining NATO? In fact, they participated in the Afghanistan missions. What more do they have to do?

Secondly, with respect to cyberwarfare, what threshold needs to be crossed in order to trigger article 5?

**The Chair:** Sir, before you launch off on that, you have very little time, less than 30 seconds, please.

**Hon. William C. Graham:** Well, to be brutal, the barrier to Georgia is article 5 of NATO. Georgia's engaged in one Russian war in circumstances that we felt were rather.... I don't know who to point the blame to on both sides. I happen to know some of the Georgian politicians quite well. There was a little push and shove in both directions. I don't think that, had I been defence minister at the time, I would have been anxious to be looking at going to nuclear war with Russia in the circumstances of the last South Ossetia operation, and I would think that's foremost of mind of anybody looking at Georgia today. That's certainly an issue. Georgia's a wonderful country, and we should certainly try to encourage it, but I think that's a realistic political assessment, and I can't answer the cyber-threshold issue because the attribution problem is so horrendous in the cyber-realm that that's what's worrying me about trying to come to grips with it.

But they're great questions.

**The Chair:** Thank you, and to help me moderate, if anyone sees this, this is a sign of 30 seconds left. It's not a hard stop. It's asking you to wrap it up in 30 seconds or less for a graceful dismount.

Mr. Garrison, you have the floor.

**Mr. Randall Garrison (Esquimalt—Saanich—Sooke, NDP):** Thank you to both our witnesses for being here today. We've had the privilege of having some very distinguished and experienced panels, and this is one whose expertise I really value.

I'm one of the voices that has been asking about the other end of nuclear defence, and that's nuclear reductions. I think we're in a climate where the situation has changed. With the U.S. nuclear posture review recently, which contemplates first use of nuclear

weapons, we have the development and employment of tactical nuclear weapons.

My question for both of you is whether you believe that it would be possible for Canada to exercise a role in NATO that would turn NATO's attention toward its commitment to creating conditions for a world free of nuclear weapons. I understand there's a debate about ballistic missile defence, but I want to look at the other end of that. How do we get NATO moving, and can we get NATO moving, on creating those conditions? It is officially committed to this, but doesn't seem to be doing very much about it.

● (0940)

**VAdm (Ret'd) Robert Davidson:** It's a great question, but you know, I'm not sure that trying to move in that direction is a role that we would want to take on as a nation in the current environment.

Quite frankly, as abhorrent as nuclear weapons are, their presence has undoubtedly contributed to global security, and for nations that don't have them, that contribution is what they see and why they want them. There's a reason why Korea wants nuclear weapons. There's a reason why Iran would probably like to have them in the fullness of time, because they are an insurance against unwanted attack.

I would love to see the world without them, but I don't see that it is anywhere likely to be something we have in the short term, so why take that on?

**Hon. William C. Graham:** You might want to have a look at the House of Commons committee report on NATO and nuclear weapons. We did a report on denuclearization when I was chairman and Lloyd Axworthy was minister. We ran into a lot of problems over that report. This is a very tricky issue when it comes to quite a number of our allies, largely our American ally.

Canada has been a strong proponent of denuclearization. I will have to say that, when I was minister, that was a file in Geneva that went around and around and around and never went anywhere for the reasons, I think, that the admiral has pointed out. I personally am quite concerned that we are going the other way at the moment. We were saying at this nuclear conference I was at involving Korea, the Korea conference yesterday. You look at the Korean issue in the context of non-proliferation as a whole. Look at India, Pakistan, Israel, the Iranian experience, etc. I would think that this is very difficult for us to achieve. I'm not saying we stop working on it, but I would say that it's very tough.

**Mr. Randall Garrison:** Do you think NATO's an arena in which we could start working on this?

**Hon. William C. Graham:** In my time it was about the no-first-use doctrine; that was the whole debate. Frankly, I just don't know enough about the present nuclear thinking. A lot of think tanks and others are really puzzling about the best posture on this. I don't have anything to offer.

**Mr. Randall Garrison:** I think it only hurts our ability to move forward in other agenda areas at NATO if we use that as a central theme.

Returning to a couple of things that Ms. Gallant asked about where, despite our political differences we sometimes agree, and that's both the size of our navy and the maintenance of a submarine capacity. You made a comment, Admiral Davidson, about the budget. It's been a concern of mine that while numbers are written on paper that the actual amounts being delivered to the Canadian Forces for capital expenditure are shoved so far down the road that we risk losing capabilities in the interim.

Is that in accord with your thinking or do you think we've already lost them?

**VAdm (Ret'd) Robert Davidson:** Absolutely.

We are future loading so much of our defence capability that I believe a lot of it is at risk of being maintained. It's very much a problem.

• (0945)

**Mr. Randall Garrison:** Do you see that as a problem with the shipbuilding strategy that we've adopted and that it's underfunded for what we need? I talked about it when it was adopted as a floor and now it's become a ceiling.

**VAdm (Ret'd) Robert Davidson:** The real strength of the shipbuilding strategy would have been, in my view, to get us down the path of continuous shipbuilding. You get industry started and then you get into producing flights of ships and you continuously build ships. Much of the analysis today would say that it's actually cheaper in the long run to run your navy that way than it is to do expensive refits. Refitting older vessels to put capability in them is always a very expensive business.

The whole idea behind a shipbuilding strategy was to get us down the path of continuous shipbuilding. That should allow us to do cyclical batch-building, if you will. Trying to reduce the time between starting a project and getting into it allows us to do better budgeting as well. What's killing us at the moment is that the navy puts forward a proposal on how much it's going to cost to build ships, and it's a decade later before we even get close to going to contract because it's taking us a ridiculous amount of time to move forward on these projects. By then, the initial estimates are completely lost in the wash and then we're blamed for not having good estimates. We need to tighten that up enormously.

**Hon. William C. Graham:** I totally agree with you. When we were looking at this the last time the difference for the surface ships was \$10 billion or \$12 billion or something like that in the budget process. We knew that at the time it was going to be closer to \$40 billion or \$50 billion. That is a real problem that I think everybody recognizes, although I think the department is doing a better job of trying to tighten them up. Where are we with double-hulled ships for the Arctic? In my view double-hulled—

**The Chair:** I'm going to have to cut it off there. I'm sorry.

We'll have time to go back or somebody else might pick up on it.

I'm going to have to yield the floor to Mr. Spengemann.

**Mr. Sven Spengemann (Mississauga—Lakeshore, Lib.):** Gentlemen, thank you both for being here. Thank you for your distinguished records of service to our nation.

Mr. Graham, thank you very much for broaching the question of the political component of NATO. I think it's a privilege for us to have you here having served in both roles as the foreign minister and defence minister.

I want to take you back to 2003 and the decision by Canada not to participate in the Iraq coalition, which I think from my perspective and that of so many Canadians was spot on. It was the Canadian answer to that challenge—and in fact a decision that I personally benefited from when I served in Baghdad as a civilian UN official when people knew I was from Canada. I was widely known among the Iraqi population that Canada had chosen not to be part of this particular coalition.

My question is around coalitions of the willing, or coalitions of the geopolitically incentivized, versus NATO, versus the UN, and this constellation of circles within circles, or circles next to other circles that are active in various components of conflict resolution and peacekeeping. In fact, NATO was active and Baghdad has had, and still has, a training mission for the Iraqi officer corps located in the green zone. Also, the UN was present but very oddly there with the consent of the Iraqi government so Iraq could pull the plug on the UN presence at any time. There wasn't a chapter VII in the resolution in the sense of imposed UN presence.

What are your views on the evolution of these different ways of conducting peacekeeping, and what are the complexities of using coalitions versus using NATO or the UN?

**Hon. William C. Graham:** At that time, there was a lot of tension around the NATO table—certainly at the Prague meeting.

The Americans were very anxious to get support for the Iraq mission, and there was a lot of resistance from various countries, Canada and others, about what the NATO statement would say. There were a lot of fights. I was constantly fighting with Colin Powell about a word here, or a word there, that was going to take you in one direction or another. The Germans, as you'll recall, fought an election on this issue, and Joschka Fischer was adamant. So there was a lot of tension.

I don't think it interfered with military operations, but it certainly interfered with the idea of the Americans bringing us in.

For a long time, in Canada, we were very resistant to the idea of NATO doing training in Iraq. We saw that as a way of being involved in Iraq that we didn't want NATO to be doing, and we didn't even want our Canadian officers in NATO itself at Brussels to be deployed to Iraq. It was rather ironic, considering that we did have people in Iraq anyway, as you know, so there was a lot of confusion around these issues.

On the broader question of coalitions of the willing and when you use them and when you don't, obviously in Iraq we took the strong position that a United Nations Security Council resolution was necessary to justify it. You could take that from a legal point of view. I used to argue that it was also political, because if you couldn't get around that issue, then you wouldn't be able to demonstrate the threat of weapons of mass destruction, which Hans Blix said really weren't there.

There was a whole host of issues around that, but I don't think you can foreclose the idea that in other circumstances, what I call a Kosovo-type circumstance or other, we might be engaged in things. Because people think Afghanistan was a NATO mission, I remind everybody that it was a United Nations authorized activity. We have to remember that. We had the Security Council authority to be in Afghanistan and have always had that.

My first argument would be in favour of the Security Council, but I think we couldn't possibly rule out the circumstances, particularly given Russian and Chinese attitudes today, of a mission where that wouldn't be used.

● (0950)

**Mr. Sven Spengemann:** Thanks very much for that.

I want to take the remainder of my time to give you an opportunity to comment on something you raised in your opening remarks. You spoke along the lines of cracks in the values or unity of values around NATO.

If you take your comment just now and bring it into the current context of the Middle East and the Syria crisis, what comments do you have on the unity around the values that NATO was built on and the operational concerns that the Middle East in 2018, not 2003, still raises or carries?

**Hon. William C. Graham:** When I look at Turkish troops and American-backed Kurdish troops virtually shooting at each other, and various allies supporting the Assad regime, which most of us would agree is despicable, it's a threat to our ability to work on these issues. It's a good example of the fact that if you get into something such as the Middle East where there are so many different players with so many different agendas, you're going to get pulled one way or another.

The fact that the Russians went in and took advantage of a vacuum that was created and are now there has created a whole new dynamic.

I read a lot of Middle Eastern stuff from *Haaretz*. It's maybe not the newspaper of choice of a lot of people, but believe you me, there's a lot of information that is quite extraordinary going on, the complexity of trying to sort out that mess.

**Mr. Sven Spengemann:** Admiral Davidson, could I get your views on the same question?

**VAdm (Ret'd) Robert Davidson:** Yes. I'll be very quick.

We need to remember that NATO wasn't started as an organization to do deployed operations, so there are widely divergent views within the alliance on what the nature of NATO operations really ought to be. There has been an enormous amount of reluctance on the part of certain nations to do the deployed side of the house.

Most of our eastern European allies in particular want to focus NATO more on the defence of Europe than anything else, often forgetting that the western border of NATO is somewhere in, probably, Hawaii or Guam. NATO itself has difficulty coming to an agreement on what's right and what's wrong in terms of operations that are optional.

Equally, the UN Security Council, in my view, is only effective in those narrow circumstances where there are no national interests of the "Big Five". Consequently, it's largely ineffective. Therefore, in many of those circumstances, coalitions of the willing are the only way to move forward.

**Mr. Sven Spengemann:** Thank you both.

**The Chair:** Thank you.

We're going to move to five-minute questions. Ms. Alleslev, you have the floor.

**Ms. Leona Alleslev (Aurora—Oak Ridges—Richmond Hill, Lib.):** Thank you very much. What a fabulous intervention and how incredibly important it is for you to share it with us today.

I'd like to leap off from where my colleague was, in terms of some cracks in the shared values. We mentioned some of the countries, but we have a very stringent ascension process to NATO, and we've never had a conversation about what happens when a NATO ally no longer shares the political values, ideals, and approach.

I'd like to hear both of your perspectives. When is the time to start having that conversation? If it is an alliance—that one for all and all for one—based on shared values, ideals, and perspectives, how do we address when we no longer share, and are no longer allied in, that fundamental perspective?

• (0955)

**Hon. William C. Graham:** As a political principle, I would certainly subscribe to the one that says, “never say never.” That’s because circumstances change and people say, “Oh, I said never, but that was different.” I wouldn’t say never, but I wouldn’t encourage that type of conversation either, because I think that the alliance has to be strong enough to maintain and work to try to support democracy and democratic institutions within it. I knew Viktor Orbán very well. He was a member of Liberal International when I was a member. Viktor Orbán then said, “Liberals aren’t going to go anywhere in the world. I’m going off to the right, so you guys take heart.” He went from being a young man who was extremely liberal, democratic, and dynamic to where he is today, so politics changes.

I think we have to continue working with Hungary. I would be more worried about Turkey than.... I am very worried about what’s happening—

**Ms. Leona Alleslev:** Should we not start to have a conversation before we’re singling out a specific nation?

**Hon. William C. Graham:** That’s what I say, but where would those conversations take place? How would they take place and with whom? That’s why—

**Ms. Leona Alleslev:** That’s my question.

**Hon. William C. Graham:** —I come back to your parliamentary association. I think that’s the perfect place. It is where members of Parliament from both countries can sit down, look one another in the eye, and say, “Look, we have real problems. I’m a Canadian politician. My people are saying to me, ‘What is it you guys are doing over there? Why are you doing this?’” You can look them in the eye and have genuine conversations. That’s where parliamentary diplomacy can be very valuable to a government that often can’t say that directly. Ambassadors wouldn’t say it directly, but parliamentarians could say it.

**Ms. Leona Alleslev:** Could you respond, Admiral?

**VAdm (Ret’d) Robert Davidson:** I’ve always viewed NATO as a bit of a buffet. Some of us like the shrimp and some of us like the beef. Every member of the alliance looks for something a little different from that buffet. They’re looking for different things. We’re not all on the same page and we should recognize that.

It’s a dangerous path to go on to start a conversation such that, “If you don’t share our values, then maybe it’s time that you don’t belong in the alliance.” That’s a very dangerous path, because at what level do countries start to worry that, when Russia or somebody else starts to do something, we couldn’t all just decide, well, Estonia does not really share our values, so maybe they ought not to be part of the alliance? Once they’re in, I think the decision not to be part of the alliance, if it ever comes to that, needs to be more of a self-determined decision or a self-selection, rather than the alliance pushing to try to unify our values across the board, because I think that almost becomes impossible.

**The Chair:** I’m going to yield the floor to Mr. Yurdiga.

**Mr. David Yurdiga (Fort McMurray—Cold Lake, CPC):** Thank you, Mr. Chair, and I’d like to welcome our witnesses to our committee.

I’d like to continue on with the same line of thought here. NATO is only as strong as its weakest link. We have seen Turkey purchase the Russian S-400 missile defence system and there are rumours of potentially opting to buy the Russian Su-57 fighter jets over the F-35. To add to the quagmire, we heard about its offensive against Kurdish fighters in Syria, who are armed by the United States.

Are you concerned with NATO’s cohesion? Is Turkey becoming more of a liability than a valued NATO member?

• (1000)

**VAdm (Ret’d) Robert Davidson:** There’s always been a challenge. We went through years of challenge with the brewing conflict between Turkey and Greece. There have always been challenges within the alliance, so this isn’t necessarily something new. There is enormous propensity for any nation that starts to go down a different path to disrupt NATO’s ability to make decisions in certain areas because it’s a consensus-built organization. You’re absolutely right. It does present challenges, but I go back to the point that I made previously. You can’t start to say that it’s making the alliance weaker and ask what we are going to do about it. The alliance is better with it, even if it is creating some of those problems within the alliance. It’s something that you just have to work through, in my view. It’s a diplomatic challenge, but I don’t know how you go down the path of saying that it is now a weakest link and, therefore, what...?

**Hon. William C. Graham:** I think, it was Talleyrand who said,

[*Translation*]

“Geography determines diplomacy.”

[*English*]

Geography determines diplomacy, and Turkey is in the place where it is. Turkey is adjacent to Iran. Is it any wonder that the Turks and the Iranians were doing business and doing things that the Americans didn’t like? I mean, it’s a next door neighbour and has very powerful relationships. It’s also a neighbour to Syria and has deep problems dealing with the Kurdish issue, which has been going on in Turkey forever. I think it’s worse than the Greek-Turkish Cyprus issue, which was bad enough and bedevilled relations for ages. I think it’s fundamentally more serious, but I totally agree with the admiral that Turkey is in a key geographical position for NATO, that it’s been a key ally for a long time, and that we should be able to work our way through those particular problems. I think the admiral’s point is absolutely right. If somebody is going to go out of NATO, it’s probably going to be because somebody chooses to leave rather than is pushed by the others. It wouldn’t make sense to be pushed, but there might be conditions in Turkey where you might see that, and I would say, then, that it behooves us to work to try to keep Turkey in the family because of its importance.

**Mr. David Yurdiga:** The concern I have is that Turkey is becoming closer and closer to Russia—obviously, with its buying Russian equipment instead of NATO-approved equipment, I would assume. That presents a lot of challenges as far as—

**Hon. William C. Graham:** Interoperability.

**Mr. David Yurdiga:** Yes.

Does NATO need to reform? What can we do? I, obviously, understand that it's a difficult situation. Strategically, geographically, it's very important, but there is a point where it teeters to the other side. How would that be determined? Where can we go from there? Can we do more diplomatic things with Turkey to ensure that it is a valued member?

**VAdm (Ret'd) Robert Davidson:** First of all, I think we need to remember that only two years ago, Turkey shot down a Russian airplane. Turkey is pursuing its own path. That path will sometimes mean that Turkey builds relationships with its nearest neighbours, and sometimes that path will be more focused on the alliance and NATO. We should expect that.

**Mr. David Yurdiga:** I want to talk a little bit about PESCO. Why was PESCO created? Obviously, it seems like the mandate is the same: European defence. Why PESCO? Why was it created?

**The Chair:** I'm going to have to hold it there. Someone else might pick up on that, but we're out of time.

I'm going to yield the floor to Ms. Romanado.

**Mrs. Sherry Romanado (Longueuil—Charles-LeMoyne, Lib.):** Thank you very much, Mr. Chair.

It's a real pleasure to be here today and to hear the very interesting, contrasting testimony that we've heard.

Mr. Graham, you talked a bit about something that we haven't heard a lot about: the level of knowledge of most Canadians regarding defence. You gave us some information regarding the percentage of millennials and women who understand what NATO's mission is, and so forth.

Given the lack of, say, education and/or interest of the general population in terms of our defence and our commitments to our NORAD and NATO allies, how difficult is it for us, then, to make decisions as parliamentarians in terms of procurement? For instance, Vice Admiral Davidson talked a little bit about the fact that we are not spending as much as we should, that we are not putting in as much as we should be, and that we do not have the capabilities. How do you convince the Canadian population that this is something that we should be investing in when there is lack of knowledge and basic understanding of defence, and our number one priority is our sovereignty? What is the challenge? I mean, you've had this experience working in Parliament. Could you elaborate?

• (1005)

**Hon. William C. Graham:** It is a big challenge. To go back to what Admiral Davidson said, Canadians tend to be security takers rather than providers. That is, to some extent, a natural feature of the fact we live beside the largest single military power in the history of the world which has provided our security for us. I remember sitting in the room when George Bush was having a disagreement with prime minister Martin—actually it was over ballistic missile defence—and George said to Paul, “We provide your security. The least you could do is get on board with ballistic missile defence.” We know where that went.

The politics of these things are terrific. I don't see a Canadian public that would agree to 2%. We would have to double our defence budget. I'm a realist, but I totally agree with the admiral that if we're going to have a navy in the Arctic, we have to have double-hulled ships, we have to have the right equipment, icebreakers and things like that, that the Chinese have and we don't have.

Going back to your lack of knowledge, I think the defence review, to some extent, is trying to address it at the university level, but this is a social problem. We don't have reporters anymore who write intelligently about defence issues. We used to have several people in the *Ottawa Citizen* and in *The Globe and Mail* and in other major newspapers who were deployed abroad. They reported on missions and they had intelligent observations. None of those voices is available anymore, or very few of them, anyway. They tend to be specialized voices in the social media which have an axe to grind rather than, perhaps, an overall view.

I think to some extent it's the job of politicians. You have riding associations, town halls, and things like that. I used to do a town hall occasionally on defence issues. Actually it became better attended than you would have thought. When something like this Korea business...at the Korea conference yesterday at Trinity College, at the university, it was totally oversold. There were over 100 or so people, and there were extra people trying to come in because people were aware that there's a problem going on there.

I do think there is a role for public education. I think the traditional media that we counted on for doing that isn't there at the moment, so there's a lot of responsibility on behalf of elected politicians to try to help educate their constituents.

**Mrs. Sherry Romanado:** Do I have some time?

**The Chair:** You have 40 seconds for a question and a response.

**Mrs. Sherry Romanado:** Vice Admiral, do you have a comment on that?

**VAdm (Ret'd) Robert Davidson:** I would agree that it's largely a political challenge. I'm not sure how you get the debate going. I'm not the expert in that area, but we're undoubtedly not doing it.

**Hon. William C. Graham:** You've done it at the Canadian... The CIC that you have in Victoria has had several debates on it, but it tends to be amongst the cognoscenti. It's all the folks who are already in agreement who come. The admirals and retired diplomats come and they say this is a problem. Nobody else is listening.

**VAdm (Ret'd) Robert Davidson:** I spoke about the Navy for a period of time when I came back from doing the counter-piracy, counterterrorism mission in the Arabian Sea. Truthfully, you'd speak to an Ontario audience and they would often say, "What do we need a navy for? We have a bridge." When you have so much focus on trade with the United States, it's very hard to get Canadians to understand. It's a big challenge.

• (1010)

**The Chair:** Thank you.

Mr. O'Toole.

**Hon. Erin O'Toole (Durham, CPC):** Thank you, Chair. It's always good to join the committee, particularly with two distinguished guests.

Colonel Graham, I really appreciated all your work with the Governor General's Horse Guards. Chris Stewardson is a very close friend and he said what a great author you were—

**Hon. William C. Graham:** Thank you.

**Hon. Erin O'Toole:** —after having been minister.

Admiral Davidson, I sailed on your ship for a brief time as a TACCO on the air detachment, and I'm going to start my questions with you.

I remember your conducting replenishments at sea. As a member of NATO and as a proud naval country, the replenishment at sea capacity is critical to navy function. Would that be fair to say?

**VAdm (Ret'd) Robert Davidson:** Absolutely.

**Hon. Erin O'Toole:** When we lost our supply ships, did that gap in capability—a real gap as opposed to imagined fighter capability gaps—need, in your expert opinion, to be fulfilled, or was it okay for 10 years to ask other countries to provide us with replenishment at sea capability?

**VAdm (Ret'd) Robert Davidson:** As I just mentioned, I did the mission in the Arabian Sea. I took a tanker with me, and we did a six-month deployment to the Arabian Sea to do counterterrorism and counterpiracy. One of the challenges I had when I was there was that we didn't have adequate air assets to do the surveillance.

I was responsible for about two million square miles of ocean, and often I only had four ships. I needed air assets. The ally to whom I went and said, "Can you not give me some more air assets?"—and it wouldn't surprise you who that ally was—their response was, "Well, it's a pity you didn't bring any, isn't it?", because we had not contributed to that aspect.

From that moment on I've always been of the belief that if we want to lead in missions, and do deployed missions, we have to bring many of the capabilities, the integral capabilities, with us. That's why it's very important for us not to rely on allies for key areas of capability, like combat search and rescue, attack helicopters, and tankers. We need those capabilities, and in those periods of

time when we are gapped, they fundamentally limit the Canadian Armed Forces' ability to do its job.

**Hon. Erin O'Toole:** I very much agree. Thank you for your perspective.

Colonel Graham, you gave me so many great little tidbits. I loved your quote about your friend who started out an international liberal and then became conservative. It reminds me of the Disraeli quote that said—

**Hon. William C. Graham:** Don't take too much, Viktor Orbán may not want to be your model.

**Hon. Erin O'Toole:** "If you are not a liberal at 25, you have no heart. If you are not a conservative at 35 you have no brain."

**Hon. William C. Graham:** This was much used against me in my life.

**Hon. Erin O'Toole:** You did use another quote, saying, "Never say never" with respect to policy decisions and alliances and those sorts of things. I'd like to ask you for a moment about the decision not to participate in ballistic missile defence.

Certainly, the multi-generational history we have on continental security through NORAD has us as a full partner in 95% of NORAD operations, with the exception of BMD.

Could you explain the rationale for not participating in BMD when you were in cabinet?

**Hon. William C. Graham:** Well, the rationale was very much political. There was not a lot of support for BMD. I'll be very frank, when President Bush came to Ottawa, and made a public statement saying we should get on board or else, Canadians got their backs up and any chance of us getting it through at that time was...I told President Bush at the time, when I saw him in Halifax, "Well, thanks a lot for burying me and BMD", because I was the one who was carrying the missile flag, if you like, in the Liberal caucus, on behalf of the Prime Minister.

I totally believe we should have gone in BMD partly for the NORAD file. There was a time when they divorced ballistic missile defence from NORAD. The fact of the matter is that without participating in ballistic missile defence, we are not guaranteeing the future of NORAD as such. You can't bifurcate these two things, in my view.

What's more, the argument against ballistic missile defence is that it's going to include the Chinese and the Russians. It's going to create a more dangerous world. However, it is so limited in its scope, and is so limited in its capacity that it could only deal with a Korea. It could only deal with a rogue state. It isn't possibly going to deal with the Russian or the Chinese situation.

In my view, the strong political and geopolitical reasons against it are not valid, and we should have it as a defence in case of what is now looking like a very real possibility.

• (1015)

**Hon. Erin O'Toole:** Can we maintain that full partnership within NORAD as well?

**Hon. William C. Graham:** Yes, absolutely.

**The Chair:** Your time is up, Mr. O'Toole.

I'm going to yield the floor to Ms. Alleslev.

**Ms. Leona Alleslev:** Thank you very much.

I'd like to continue a little bit on the education. Certainly, the testimony here today, Admiral, clearly outlined the challenges and the misconceptions and misperceptions. Yet, our population may not understand the change in threat, they may be viewing us from a previous time, and believe that we continue to have a capability and do great things that we once did. I look at the Kosovo air mission, or Libya. We probably couldn't do that again today.

Parliamentarians, yes, are one thing, but even parliamentarians don't have the depth and level of expertise to be able to adequately communicate. There are many in your community who share your perspective, but we seem to talk only within the community.

How do we take those experts within the community, and get them to have conversations with the broader Canadian public, so we can educate more effectively around the threat and around why NATO is so important to Canadians and Canada in NATO, not just Europe for Europeans?

**VAdm (Ret'd) Robert Davidson:** I mentioned earlier the issue of senior military people speaking. Frankly, we just don't let them do it, unlike some of our allies. In the United States, every four-star is brought before committees, and they're all mandated to speak their own personal views to those committees. In our context, they're mandated to speak the government line when they show up at a committee, whatever the government line of the day is. We could do a lot to improve education by opening that up and allowing more dialogue and frank military advice from senior military folks about the state of affairs globally.

**Ms. Leona Alleslev:** Do you mean both serving and retired?

**VAdm (Ret'd) Robert Davidson:** I'm always delighted to speak, and I'll do it any time anybody wants to listen, but that could be a trait of being an ex-admiral.

**Ms. Leona Alleslev:** Would you have a perspective on the delicate balance of senior military officials being more candid at committee while they're still in uniform?

**Hon. William C. Graham:** Foreign policy, like national defence, has a greater capacity for non-partisan, all-party support. When I was chairman of the foreign affairs committee, we had all-party support for every single report we produced, and there's a better opportunity for that in defence and security and foreign affairs. While I'm hearing what the admiral is saying, if I put my former defence minister hat on, I would say that if the committees—the parliamentarians—are less partisan and want to work together, that too would be an important feature.

I put it to you, Admiral, that a serving officer wouldn't want to go in and figure they were feeding something that was going to turn into a political frenzy and a debate. They want to get in and have like-minded people saying to one another, "What can we do for the good of the country?" That's what they want to do. That's what their interests are. That's what I like to believe the members of the committee want to do, so the less we can make it a partisan issue, and the more we can make it a joint issue about the security of the country, the more frankness you'll get from everybody who's participating.

• (1020)

**VAdm (Ret'd) Robert Davidson:** I mentioned in my opening remarks the issue of being multipartisan. Something as important as national defence needs to be developed in a multipartisan way. The only way you can do that is if you open the kimono, you bring everybody in, you share the classified and unclassified information in a multipartisan committee that can actually then come to agreement on what the right capabilities and direction of defence are for a nation. When you do that, you don't get the starts and stops. You don't get the "we like this particular airplane, or this particular helicopter, or we don't". It doesn't become a political issue at the next election if it's been done in a multipartisan way. If we don't do that, we're never going to get down the path of comprehensive policy.

**Ms. Leona Alleslev:** By the same token, is there a cost to parliamentarians and the public not being educated, and us not having a comprehensive, long-term perspective on defence?

**The Chair:** Actually I'm going to have to hold it there, but we'll have extra time so we might be able to circle back on that.

Mr. Garrison will get the last formal question, and then we'll go around the track for another five minutes for each party.

Mr. Garrison.

**Mr. Randall Garrison:** Thank you, Mr. Chair.

I want to go back to Mr. Graham, on ballistic missile defence. You said, when we were talking about NATO's expansion to eastern Europe, that this was about protection of democracy, and that Russia simply didn't accept that so they had a different view. When you talked about ballistic missile defence, though, you said its capabilities are obviously so limited that Russia and China couldn't misunderstand that.

How do you square those two things at the same time? You just said in eastern Europe, where the objectives were clearly solidifying democracy, that Russia misunderstood that and responded. Why are they not capable of misinterpreting ballistic missile defence in the same way, as a threat to them, despite what you see as the facts?

**Hon. William C. Graham:** The facts are what missile defence can do. It can stop one or two missiles, and I'm not even convinced that the Israeli Iron Dome was as successful as they said it was. Nobody really knows. This is still at a highly developmental stage which is one of the reasons, maybe going back to the original question about why we didn't go in at the time, was that nobody was sure it was going to work. It looked like it was going to be a lot of money. It was crazy. It's not anymore. It's definitely there.

The geopolitical situation was.... We had, at our committee, a former secretary of defense of the United States come up, McNamara, and he was very definite. He said, "If you can develop a perfect missile defence, then of course you've developed the perfect aggressive weapon because the other guy can't attack you. You can attack everything." This is why the Russians and the Chinese want to inhibit ballistic missile defence because that will then attenuate the deterrents factor of their weapon system.

Our argument is that this can never deal with 10,000 ICBMs. It can only deal with one or two, which is why it is, in my view, particularly important at this time when we're looking at something like North Korea. As a country, we've agreed in Europe on the NATO front. We've accepted this. I think the defence review did say that we'll explore with our American colleagues as NORAD goes ahead, so there's an opportunity. I'm just urging the government at this time that they should be relooking at this, that's all.

**Mr. Randall Garrison:** Isn't the further development of ballistic missile defence a step toward that fear that the Russians and Chinese have? Isn't it rational on their part to say that even though the system may not be capable at this time of becoming an aggressive weapon, their attempt to further develop it contributes to the arms race?

**Hon. William C. Graham:** That's quite possible but frankly I think it would be very naive to think that the Russians and the Chinese aren't themselves working on a ballistic defence missile system at this particular time. I imagine they're into this big time. We might wake up one day and discover they're the ones with the perfect ballistic missile defence, and we've been sitting here twiddling our thumbs.

**Mr. Randall Garrison:** I guess the thumbs I'd like to twiddle are the design thumbs.

**Hon. William C. Graham:** I appreciate that. I'm not in favour of an arms race. I do think this is discrete enough at this particular time with an actual threat that we can see in the Korean issue. It is one that we should be conscious of. That's what I would urge you to consider.

• (1025)

**The Chair:** That ends our formal questioning.

However, we do have some time remaining. I'd like to go five minutes for each party, and I'll start off with the Liberals with Ms. Romanado. You have the floor.

**Mrs. Sherry Romanado:** Thank you very much.

I wanted to talk a bit about procurement because it's the elephant in the room that we all hear about. As you know, Mr. Graham, you were on defence policy review. Essentially we hadn't done a situational analysis of the Canadian Armed Forces and our capabilities in a long time—about 20 years—which we did conduct the first year.

Vice-Admiral, you've mentioned it previously that often what happens is experts who are saying, "Okay, we need X, Y and Z." We're talking about capital projects here. We know that these take a long time, maybe too long in terms of getting that statement of requirement, the RFP, the actual procurement, the operations, the training, everything that goes along with it. We're talking multi-year projects. We talked a bit about the multi-partisan aspect of it. Given the fact that we are running essentially governments at the same time that we're doing procurement that's going to take more than four years, more than one mandate, we have that policy lurch when we have changes in governments.

We know we're in the situation that we're in because successive governments have not invested adequately in the Canadian Armed Forces. We are in the situation we are regarding replenishment at sea because procurement wasn't done. We know that the F-18s should have been replaced years ago.

What is your recommendation given the fact that we know that this takes a very long time for some reason here in Canada to get military procurement. I've talked to many Canadian Armed Forces members. I'm Parliamentary Secretary to the Minister of Veterans Affairs and Associate Minister of National Defence. I hear about boots, rucksacks, right down to....

What are your recommendations? This is something that has been occurring over many decades. What would be your recommendation now that we have strong, secure and engaged...? We have forecasted for the next 20 years, procurement and sustainable funding for the Canadian Armed Forces. Is this going to be able to finally solve the problem?

**Hon. William C. Graham:** I'm sorry, I can't give you a magic bullet on the procurement thing. It's the weakest link in the chain of the whole of our defence posture, because as the admiral has said, if we don't have the equipment, we don't have the capacity to deliver anything.

When we were doing the review, I don't know if you've spoken to Admiral Murray, but he heads up a committee and he's pretty strong on saying that the procurement on the average side has been much improved and much streamlined.

As you said, Ms. Romanado, it is the large capital projects that seem to be both political in nature and take these long periods of time. I don't think there's any way you can wring the politics out of it. That's in the nature of politics, but once these commitments are made, to get to the admiral's point....



I was astonished to find out when we came in that the surface ships, which in the budget were some \$12 billion, were multiples of that when I asked Vice-Admiral Norman, the chief of the navy at the time. Then I asked some of my political friends, and they said, "See, we've been sandbagged by this mad process of the previous government." It wasn't a sandbag at all; it was just the way the system works. Somebody has to be better. I'm not the expert in that, but the system has to be dealt with. It also goes back to our bipartisan things. If we say we're going to need surface ships, we have to get everybody on green, that yes, we're sticking with the surface ships and they're going to be built, and not disagree if there is something that isn't going to be built in Canada.

You have no idea of the problems I had when I was defence minister to replace the "Herc" fleet, which was falling apart in the sky, with "J Hercs". We ran into all these problems, because it was a single purchase and there was only one manufacturer making the plane, the J Hercs. I kept saying in cabinet meetings, "What is the problem here? There's one manufacturer, one plane. We have to replace this. Why don't we just go and buy it?" It still took four years. Even with the simple ones sometimes, it seems to be difficult.

I'm sure you've heard General Hillier. He wanted to go down and get a big ship from the Americans. They would have given us a large ship for purposes, and we couldn't do that.

I'm just sounding frustrated here.

• (1030)

**Mrs. Sherry Romanado:** Vice-Admiral—

**The Chair:** We don't get the procurement thing right often, but the C-17 is probably a great example of us getting it right occasionally. We got that aircraft pretty quickly and we got it manned and out the door.

I'm going to give the floor to Ms. Gallant.

**Mrs. Cheryl Gallant:** Okay. I'm going to share my time with Mr. O'Toole.

Admiral Davidson, NORAD now includes a naval component. With respect to BMD, given that a sea-launched ballistic missile within North American coastal waters is a concern, and that is of course within NATO territory, from a naval perspective, how important is it that Canada participates in BMD?

**VAdm (Ret'd) Robert Davidson:** It's very important that Canada participates. Just to go back to the debate about it, why did we decide not to do it then? Well, maybe there were still good political reasons to move forward, but the threat wasn't clear and the technology to shoot down wasn't really clear, so that's understandable.

Both of those things have changed. Now we have a clear threat and now the technology is proven. In fact, the best platform to put it in is a ship, because if you put it in a ship, ships have volumetric radar capabilities. We could put that into the new ships and we would then kill two birds with one stone, because we would then have a deployable ballistic missile defence capability that could go around the world. The capability is absolutely there, and it just mystifies me why it's not an essential element of our next class of ships—and it isn't.

**Hon. Erin O'Toole:** Thank you.

I'm going to follow up the line of questioning by the parliamentary secretary. Certainly, as a former Sea King navigator, no one knows procurement problems perhaps better than I do. The period of time she talked about, the generational periods that are required for procurement, leads to the absurd situation where Pierre Trudeau's F-18 is replaced by his son with used Australian F-18s. Our participation in the joint strike fighter was started under the Chrétien government, but it's now unclear whether we're going to be a participatory country in the F-35. The maritime helicopter procurement program, the Sea King replacements, started under Pierre Trudeau and was cancelled by Chrétien.

I like the comments about bipartisanship, but how do you suggest we do that? It gets caught in election cycles, and naive, I would suggest, promises by leaders of, I won't say what party, set back 15 years of procurement work. Do you recommend approaches where the Australians seem to get it right? Do you recommend a specialized secretariat? I would be open to any suggestions, because I agree that we have to take the politics out.

**VAdm (Ret'd) Robert Davidson:** One of the big problems we have with procurement is the budget. The Parliamentary Budget Office has a concept for how to figure out what things cost that includes the full life-cycle costs, incorporating personnel costs and the replacement part costs, and so Canadians are then presented with costs that seems absolutely astronomical. You need a ship. The decision is you're going to buy ship A or ship B. We should tell them what the ships cost, and not us the ridiculous through-life cost of the whole thing. That's one aspect.

The other aspect is there is a reason, and I understand why procurement is political. It's about jobs and jobs are votes, so it is fundamentally a political thing, but we fail to demonstrate to Canadians which costs are associated with job creation and which are associated with buying military capability.

I don't mind if we're going to spend twice as much as our allies to buy a ship if our purpose is to build a shipbuilding industry in this country and create jobs, but don't put that extra 50% under the defence budget. Put it under industry and development or something else that demonstrates to Canadians that this money is being spent on job creation, not on buying ships.

**Hon. William C. Graham:** To follow your political point, Admiral, when I went down to look at the Irving shipyard and saw the coastal yard, I thought it was amazing. They are looking almost like the Hyundai yard, which I saw in Korea. It is very modern. I'm sure they will be capable of doing surface ships when the time comes, and the thing about it that I think Canadians don't understand—and they showed me the graphs of the  $x$  billions—is that more money is being spent in Ontario on that ship than in Halifax, but nobody in Ontario knows that. No Canadian voters in Oshawa realize they have as big a stake in building that ship in Halifax as the Haligonians do. They all think this is some big boondoggle for east coast shipping. It's not.

These defence contracts are a supply chain that is spread evenly right across the country now, and there's very little public knowledge of that.

• (1035)

**Hon. Erin O'Toole:** Thank you for mentioning Oshawa. That's in my riding. You pulled that out of thin air.

**Hon. William C. Graham:** That's very good. There are a lot of benefits there.

**Hon. Erin O'Toole:** I appreciate that.

Absolutely, this is part of the public education that Ms. Alleslev mentioned, which is that there is an industrial regional benefit component, an ITB, what have you, to defence that's not located just where the shipyard is, particularly with IP and IT.

Certainly I think your perspective on this, both of you, and particularly you, as a former Minister of National Defence, would be helpful because I agree that the life-cycle cost is what held up the F-35 sign-on in the previous government after the PBO released its report. It was hard to take out the cost of air crew, the cost of fuel for 40 years.

Do Canadians think of those costs when they buy their cars from the car lot? No, they don't.

**The Chair:** We're going to have to leave it there. You're quite a bit over your time.

I'm going to give the last question to Mr. Garrison.

**Mr. Randall Garrison:** Thanks very much.

I may have stated earlier that I'd like to see NATO stop twiddling its thumbs on disarmament.

Admiral Davidson, you said, I believe, that if Canada tried to take a role in promoting disarmament within NATO it might affect our ability to achieve our other objectives in NATO, and that is what's really critical to our study. Could you tell me what you think our priority objectives in NATO should be at this time?

**VAdm (Ret'd) Robert Davidson:** Let me try to connect this to another question on PESCO. The alliance has been a cornerstone of our national security for decades, and the continuation of the alliance should be and remain our number one priority. I mentioned that the alliance is a bit of a buffet, so we need to understand and accept that the alliance will mean different things to different nations. In that respect, the alliance's support for nuclear capability is fundamentally important to two of our alliance members, for sure.

We're also looking at an environment right now where many of our European allies are beginning to worry about the alliance. Some of the statements that are being made by President Trump aren't particularly helpful at this time. There's a big role for us to play, I think, in being a broker and continuing to bring the various elements of the alliance together. We've always been very effective at being a broker within the alliance and bringing disparate views together at the table.

I'll come back to my earliest point, which is that our voice and ability to even do that and be a broker is fundamentally based upon our contributions and our demonstrated commitment to the alliance. When we waffle about how committed we really are, when we pull out of NATO missions that are still ongoing, and have no troops involved in them at all, we send exactly the wrong signals. Then we go ahead and send the right signal. As Kerry Buck would tell you, we did so when we sent folks to Latvia. I was fundamentally involved in that decision-making process.

We keep doing this roller-coaster ride in the alliance, and we would be much more effective in the alliance as a broker in bringing it together if we had a straight path that didn't have the peaks and troughs in it.

**The Chair:** Gentlemen, I think we're going to hear the bells here very shortly. We're very much out of time.

I want to thank both of you for your many years of service to Canada and for your appearance here today in front of committee. Your perspectives are valuable to us, and they will add value to our report. Thank you for coming.

The meeting is adjourned.







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