

THE DELICATE BUSINESS OF MILITARY BASE CLOSINGS

THE LONG AWAITED DEFENCE policy review, outlined by the Minister of National Defence, Marcel Masse, on 17 September 1991, included cuts in personnel and operations and maintenance costs. These cuts will make related infrastructure (read bases, training establishments, supply depots, dock yards, etc.) either redundant or unnecessary, and elimination of excess infrastructure will allow budgetary savings which can be put towards a proposed increase in the portion of the defence budget allocated to equipment purchases.

In announcing the changes, Mr. Masse noted that the basic equation was quite simple – to get savings as fast as possible, unnecessary infrastructure should be eliminated immediately. However, Mr. Masse immediately noted that “socioeconomic reality militates against this prospect” and announced that an impartial advisory group would be established to “help formulate a decision-making framework which can be used to rationalize Canada’s defence infrastructure.”

In the past two years, the government has learned that base closings are a highly charged political issue. In 1989, the Department of National Defence (DND) announced that seven bases would be closed and operations would be scaled back at seven others in order to achieve a savings of close to \$3 billion over fifteen years. The announcement generated considerable criticism from communities where base closings would deal a significant blow to the local economy, and the government came under fire for making the decision without giving local communities time to make a case for keeping the base open or to explore alternative measures.

In the summer of 1991, newspaper reports attributed to an unnamed government source said that the government was considering closing five bases. This prompted the communities named to undertake various measures to fight the rumoured cuts. The federal government sought to ease concerns by assuring communities that the economic effects of base closure would be considered and that no decisions would be made until communities had an opportunity to make a case for keeping the bases open.

Previous Canadian Base Closings

Some seventy facilities have been closed by DND since 1964. The most recent experience has been in closing twenty-four sites associated with the obsolete CADIN/Pinetree radar line. By the end of 1988, eighteen sites had been closed and put to other uses. These included industrial parks, housing complexes, a private school for troubled children, retirement homes, and native training and housing facilities. Of 900 civilian employees, twelve were unable to be placed in other jobs. The process used in carrying out this successful transition was facilitated by local re-use committees which received financial grants from various government programmes associated with industrial and work force development.

The US Experience – Deciding on Base Closings

For at least a decade, the US has sought to find a decision-making process which avoids unilateral choices by the Pentagon and lengthy battles among Members of Congress trying to protect their own regions from economic dislocation, but which at the same time accepts that base closures are a necessary element of an efficient cost-effective national base structure.

In 1977, the US Congress passed legislation which required Congressional approval of any base closures with 300 or more civilian employees, or any base realignments which affected either 1,000 or half the total civilian employees at the base. It also specifically requires DOD to comply with the procedural requirements of the National Environmental Policy Act. These requirements were so strict that they effectively prevented the closing of bases.

In 1983, the President’s Private Sector Survey on Cost Control, recognizing that an efficient process which facilitated cost effective base

closures would contribute to more efficient use of Pentagon funds, recommended that an independent non-partisan commission be established to examine base closings. As a result, the Defense Secretary’s Commission on Base Realignment and Closure was established in May 1988. Its first report, issued in December 1988, recommended that eighty-six

installations be closed. The US Department of Defence and the US Congress accepted the commission’s recommendations.

In determining which installations would be closed or realigned, the commission’s primary criteria was the military value of the base. It therefore began with a thorough review of the US military force structure and its requirements and then examined how bases fit into that structure. Other criteria, including local economic effects were considered but the military factors were primary.

The US has continued to use the commission procedure. The Secretary of Defense recommends closures which are then examined by the commission, whose members are appointed by the Administration. The commission then examines the recommendations and makes its own set of recommendations which may differ from those put forward by the Pentagon. Congress and the Pentagon then accept or reject the commission’s recommendations but must do so without changes. If the recommendations are not actively rejected they are considered to be accepted and will be implemented.

Local Recovery from Base Closings in the US

Since 1961, a US government programme has been in place which seeks to minimize the impact of defence decisions on local communities. This began as the Economic Adjustment Program and in 1970 was transformed into the President’s Economic Adjustment Committee (EAC). The EAC includes representatives of eighteen federal departments and agencies.

The mandate of EAC is to help communities implement strategies for dealing with the effects of base closure or reductions. Under procedures developed by the EAC, the establishment of a local steering council or task force which includes representatives from a wide cross-section of local interests (business, labour etc.) is seen as key to the process. The inter-departmental nature of the EAC allows for ease of access to grants and opportunities available through other government agencies.

According to the US Department of Defense, over a thirty-year period, more than eighty percent of base closure communities have replaced lost civilian jobs and incomes within several years. Between 1961 and 1990, 158,104 civilian jobs replaced 93,424 former civilian defence and contractor jobs associated with the bases.

Canada’s Advisory Group

Mr. Masse’s appointment of an advisory group on base closings is recognition of the need to de-politicize the process and develop a standard method of dealing with closures. The Minister’s Advisory Group on Defence Infrastructure has three civilian members: Harry Gruschuk, a chartered accountant from Alberta, will chair; the other two members are Kathryn M. Bindon, a professor at Memorial University in Newfoundland; and Guy Fournier, a civil engineer from Quebec. The group will, inter alia, set out decision-making criteria, develop a methodology for calculating net cost savings, take into account regional equity and the country’s duality, identify the possible social and economic effects and examine the experience of other governments. It is expected to submit a report by May 1992. □

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