THE CANADA-U.S. DEFENCE RELATIONSHIP IN A CHANGING WORLD

budgets, the signing of the Smart Border Declaration in 2001, the establishment of the Bi-National Planning Group in 2002, the publication of the National Security Policy (which calls for closer cooperation with the United States in protecting and defending our coasts and territorial waters) and the 2004 Joint Statement on Common Security, Common Prosperity: A New Partnership in North America.

These initiatives, while significant, are not enough. As part of our new, more sophisticated approach to our relationship with the United States, we will renew our commitment to continental defence, including through enhancing our domestic capabilities and establishing a single national command structure. The Government will also pursue further practical ways of strengthening our continental defence architecture and bilateral consultative mechanisms.

Enhanced North American Defence Cooperation

The centerpiece of our defence relationship with the United States remains the North American Aerospace Defence Command. Its importance was underscored on September 11, when it helped restore control of continental airspace within hours of the terrorist attacks. Since then, NORAD has confirmed its relevance by continuing to adapt to the new threat environment. It has increased its operational readiness and tempo and is now responding to threats from both inside and outside North America's airspace. Canada confirmed its commitment to the bi-national command in August 2004 by amending the NORAD Agreement so that its missile warning capabilities, which have been in place for 30 years, would be made available to U.S. commands responsible for missile defence.

NORAD's mandate is to respond to aerospace threats. It does not have the authority to counter maritime threats (such as a ship carrying a dirty bomb into New York or Halifax harbour) or to deal with the aftermath of a terrorist attack on North American soil. Our countries have made significant progress in enhancing defence cooperation to address these challenges, including through the Bi-National Planning Group. More needs to be done. Canada will examine with the United States a number of security and defence areas in which our two countries could work more closely together, including:

- preventing or mitigating the impact of potential maritime attacks by:
 - increasing bi-national maritime surveillance activities, and
 - enhancing the sharing of maritime intelligence, information and assessments to better advise and warn both governments;

- improving our ability to respond to maritime crises, on a case-by-case basis, with the formal approval of both governments; and
- developing military-to-military arrangements for the support of civilian authorities during crises and emergencies.

The Government will begin substantive discussions with the United States in all of these areas in the coming months, including as part of the upcoming negotiations to renew the NORAD Agreement, which is set to expire in 2006. Moving ahead on these issues is important, particularly in light of the January 2005 U.S. Presidential Directive calling for the development of a national strategy for maritime security. This will undoubtedly have implications for Canada.

THE BI-NATIONAL PLANNING GROUP

Following the tragic events of September 11, American and Canadian officials began discussing ways of cooperating more closely to ensure the safety and security of their citizens. These discussions led to the establishment of the Bi-National Planning Group (BPG) in December 2002. The BPG is co-located with NORAD in Colorado Springs and headed by a Canadian Lieutenant-General, who is also Deputy Commander of NORAD. Close to 60 military personnel work at the BPG, including about 30 Canadians. Its responsibilities include sharing information, developing contingency plans, supporting civilian agencies, and improving cooperation with respect to maritime threats as well as land incidents such as terrorist attacks or natural disasters. The BPG's initial two-year mandate has been extended until 2006.

