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ROUNDTABLE

FROM SPENDING TO READINESS: WHY CANADA'S DEFENCE STRATEGY MUST ALSO BE A TALENT STRATEGY

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Canada has entered a new era of defence investment. With spending now at NATO's 2% benchmark and new initiatives like the [Defence Industrial Strategy](#), the Government of Canada is signalling a serious commitment to sovereignty, security, and economic resilience.

But there's an emerging risk: as defence spending increases, weak coordination across the systems needed to translate investment into capability could lead to fragmented efforts, duplication, misallocation of funding, and limited gains in readiness.

At [BHER's 2026 Executive Summit](#), leaders across industry, post-secondary, and government aligned on the constraint driving this risk. It's not capital: it's talent, training capacity, and the ability to act in a coordinated way.

Readiness depends on the ability to scale quickly. Today, that ability is limited not by intent or investment, but by systems not built to expand at speed or collaborate at scale. **These issues show up in four critical ways:**

1. CANADA LACKS THE TRAINING CAPACITY REQUIRED TO MEET DEMAND

Highly skilled personnel are often diverted from operations to deliver training, reducing readiness as demand grows. At the same time, emerging skill needs are evolving faster than training systems can keep up. Post-secondary training is not currently structured to scale in a coordinated way with demand, limiting the systems' ability to expand capacity as needs grow.



2. THE TRADITIONAL DEFENCE TALENT MODEL IS MISALIGNED WITH TODAY'S LABOUR MARKET

Linear, decades-long careers no longer reflect how people build their careers today. Professionals move across sectors and expect flexible entry, exit, and re-entry points. Without that flexibility, defence will continue to underutilize available talent and struggle to attract new expertise.

3. PROCUREMENT IS A BOTTLENECK FOR INNOVATION AND TALENT

Slow, complex processes delay tech adoption and limit participation from smaller companies. This reduces incentives to invest and grow in Canada, shaping where people choose to work and build. Procurement is not just acquiring capability: it's determining where innovation happens, and where people choose to build and stay.

4. DUAL-USE INNOVATION REQUIRES INTEGRATED ECOSYSTEMS

Critical capabilities like AI and cybersecurity are developed across defence, industry, and academia, but still largely in isolation. Canada has shown it can coordinate in moments of urgency. The challenge is making that coordination systematic rather than episodic.



AN ACTION PLAN FOR CANADA'S DEFENCE SECTOR

At BHER's Executive Summit, leaders aligned on a clear set of priorities to strengthen Canada's defence talent and readiness. These are system-level shifts required to translate investment into capability. Progress is underway, but impact will depend on moving from fragmented efforts to coordinated, system-level execution.

EXPAND AND INTEGRATE DEFENCE TRAINING CAPACITY

Training must be treated as scalable infrastructure, delivered through coordinated partnerships with industry and [differentiated post-secondary systems](#), where institutions play distinct roles in building defence talent.

BUILD A MODERN, MOBILE, MULTI-ENTRY TALENT MODEL

Canada must enable lateral entry, exit, and re-entry across defence careers. While policy signals in the Defence Industrial Strategy recognize the importance of labour mobility, credential/experience recognition systems remain complex and have not kept pace. What's required are portable credentials, better skills translation and articulation across sectors, and stronger recognition of military and civilian experience.

ALIGN PROCUREMENT WITH INNOVATION AND TALENT

Procurement reform must do more than improve efficiency. It must enable Canadian companies and talent to move from development to deployment. Recent investments through the [Regional Defence Investment Initiative](#) and the [National Research Council](#) are helping companies scale, but procurement remains difficult for SMEs and emerging innovators to navigate. Simplifying processes and linking innovation funding more directly to procurement pathways will be critical to anchoring talent and growth in Canada.

STRENGTHEN DUAL-USE INNOVATION ECOSYSTEMS

Canada must connect defence, industry, and post-secondary systems more effectively to advance dual-use technologies. While regional investments and initiatives like [DEFENDS](#) are building momentum, ecosystems remain uneven and disconnected. Stronger integration, through shared environments, faster commercialization pathways, and better access to domestic customers, will be key to scaling impact.

MOVE FROM ALIGNMENT TO EXECUTION

Canada has a clear strategic direction through the Defence Industrial Strategy and related investments. The challenge now is disciplined execution. Efforts must operate as a coordinated system, rather than a collection of parallel efforts, reducing duplication, accelerating timelines, and directing investment toward initiatives with the capacity to deliver, rather than those that simply signal alignment.

Canada has a rare opportunity to rebuild its defence capacity. But without a talent strategy, today's investments will buy equipment, not readiness. The difference will be determined by how quickly Canada builds coordinated systems that can translate investment into capability by scaling people, skills, and innovation.

BHER is advancing this work through its [BHER Defence Leadership Table](#).

If you're a company or post-secondary institution that wants to help us address talent, training, and coordination challenges in Canada's defence sector, please reach out about BHER membership. These tables will be made up of current and new BHER members.

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