Canada, Democracy and the F-35

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2012

Library and Archives Canada Cataloguing in Publication

:LOOLDPV $ODQ 6
&DQDGD GHPRFUDF\ DQG WKH) $ODQ 6 :LO

&RS\ULJKW ‹ 'HIHQFH 0DQDJHPHQW 6WXGLHV 3URJUD
6FKRRO RI 3ROLF\ 6WXGLHV 4XHHQ·V 8QLYHUVLW\ .

DEDICATION

7R P\ SUHFLRXV JUDQGFKLOGUHQ $UL DQ
ODXJKWHU DQG ORYH LQWR P\ OLIH 0D\ '
PHQWDOO\ DQG SK\VLFDOO\ VWURQJ QHYH
DOZD\V ZLOOLQJ WR VHUYH WKHLU

7KH &OD[WRQ 3DSHUV

7KH 4XHHQ·V 8QLYHUVLW\ 'HIHQFH 0DQDJ

3DSHUV GR VR IRU VFKRODUVKLS SXUSRVHV F
WKHLU ZRUN

7KH DXWKRU ZRXOG OLNH WR WKDQN FROOH
DQG SURYLGHG FODULW\ WR PDQ\ RI WKH LVV
PXFK DSSUHFLDWLRQ WR %LOO 6ZHHWPDQ 3
0LOOV (ULF 3DOPHU 0DUN &ROOLQV DQG 6W

7KH DXWKRU DOVR ZLVKHV WR WKDQN &DU

&RQWHQWV

)RUHZRUG

Chapters
Closing Observations

Notes

Annexes

Annexes – Source Information

)RUHZRUG

2Q -XO\ WKH &DQDGLDQ JRYHUQPHQ
EH DFTXLULQJ WKH /RFNKHHG 0DUWLQ) M
DJLQJ ÁHHW RI &) V 6LQFH WKHQ WKH JRYH
LWV SRVLWLRQ E\ DUWLFXODWLQJ D ZLGH UD
UHLQWHUSUHWLQJ KLVWRU\ ,W KDV LQVXOW
DQV OLNH QDwYH FKLOGUHQ ZLOOLQJ WR EH
D GHPRFUDF\ DQG DV VXFK WKLV GXO\ HOHI
DQG SRZHU WR WDNH VXFK D GHFLVLRQ %XW
REOLJDWLRQ ² WR KHOS HQVXUH WKDW JRYHU
ZRUGV DQG WKHLU DFWLRQV $V WKH SHUVRQ
RI 8QGHUVWDQGLQJ 028 RQ)HEUXDU\ Z
LQWLPDWHO\ DZDUH RI WKH IDFWV DQG FLUF
SDUWLFLSDWLRQ LQ WKH SURJUDP 7KH JRYH
&DQDGLDQV ,I ZH FDQQRW WUXVW WKH JRYH
LW RQ R)@WKRW F K
GPVWUQFW"YH 8&DQDGLDQ 8QHHG8pR8D°H7@
W°L Rp@

/LVW RI $EEUHYLDWLRQ

3:*6&	3XEOLF :RUNV DQG *RYHUQPHQW 6HU
6$5	6HOHFWHG $FTXLVLWLRQ 5HSRUW
6''	6\VWHP 'HYHORSPHQW DQG 'HPRQVW
625	6WDWHPHQW RI 5HTXLUHPHQWV
6/(3	6HUYLFH /LIH ([WHQVLRQ 3URJUDP
6729/	6KRUW 7DNH 2II DQG 9HUWLFDO /DQG
73&	7HFKQRORJ\ 3DUWQHUVKLSV &DQDGD
86	8QLWHG 6WDWHV
8.	8QLWHG .LQJGRP

&+$37(5

-RLQW 6WULNH)LJKWHU

+,67 25<

:KDW ZH NQRZ WRGD\ DV WKH -RLQW 6WULN

WKLV ZDV WKH SULPDU\ PRWLYDWRU IRU &DQ
WKH VHFRQG SKDVH RI WKH SURJUDP

7KH -6) ZLOO EH SRZHUHG E\ WKH 3UDWW
GLUHFWLRQ RI WKH 86 &RQJUHVV WKH 86 'H
WDEOLVKHG DQ DOWHUQDWLYH HQJLQH WKH
-6) SURGXFWLRQ DQG RSHUDWLRQV DQG VXSS
RI DQ DOWHUQDWH HQJLQH IRU WKH -6) SURJ
DQG '2' KDV DWWHPSWHG WR HOLPLQDWH IXQ

7KH) $ YDULDQW RI WKH -6) ZLOO EH D VL
,W LV GHVLJQHG WR KDYH D UDQJH RI QP
RI DSSUR[LPDWHO\ PLOHV SHU KRXU
,W ZLOO FDUU\ WZR OE ZHDSRQV LQWHU
DGYDQFHG PHGLXP UDQJH DLU WR DLU PLVVL
NP GHSHQGLQJ RQ DOWLWXGH

352*5$0 6758&785(

7KH -6) SURJUDP ZDV VWUXFWXUHG LQ WK
VWUDWLRQ SKDVH &'3 IURP WR WR
YLDEOH DQG WR GRZQ VHOHFW WR D VLQJOH
86 ELOOLRQ D V\VWHP GHYHORSPHQW DQG
WR WR GHVLJQ GHYHORS WHVW DQ
ZLWK SHUIRUPDQFH VSHFLÀFDWLRQV ZLWK D
SURGXFWLRQ VXVWDLQPHQW DQG IROORZ RQ
WR WR SURGXFH DQG PDLQWDLQ WKH
86 ELOOLRQ

,17(51$7,21$/ 3$57,&,3$7,21

7KH) SURJUDP LV '2'·V ODUJHVW LQWHUQ
$V PHQWLRQHG DERYH '2' KDV DFWLYHO\ SXU
WR GHIUD\ VRPH RI WKH FRVWV RI GHYHORSL
LQ WXUQ ZHUH HQFRXUDJHG WR YLHZ SDUWL
DIIRUGDEOH ZD\ WR DFTXLUH D ÀIWK JHQHUDW
NQRZOHGJH LQ DUHDV VXFK DV VWHDOWK V\\
DOORZ IRU LQGXVWULDO RSSRUWXQLWLHV IR

'HYHORSPHQW 36)' SKDVHV RI WKH SURJUDP FRQWULEXWHG YDU\LQJ DPRXQWV RI UHVHDU SURJUDP UHFHLYLQJ LQ UHWXUQ YDULRXV O 7KH HLJKW SDUWQHU FRXQWULHV DUH H[SHF ZLWK WKH 8. EHLQJ WKH ODUJHVW DQWLFLSD QRWHG WKDW DV D UHVXOW RI WKH 8. XQGHU EX\ QXPEHU ZLOO OLNHO\ EH NQRZQ RQO\ DIW 8. PD\ FXW LWV RUGHU WR DSSUR[LPDWHO\ 6729/ -6) YDULDQW LQ IDYRU RI WKH &9 7ZR RWKHU FRXQ DQG 6LQJDSRUH ² DUH VHFXULW\ FRRSHUDW FRRSHUDWLYH GHYHORSPHQW SDUWQHUVKLS SRVVLEOH

,QWHUQDWLRQDO SDUWLFLSDWLRQ LQ WKH OHYHOV DFFRUGLQJ WR WKH DPRXQW RI PRQH JUDP ² WKH KLJKHU WKH DPRXQW WKH JUHD WR DLUFUDIW UHTXLUHPHQWV GHVLJQ DQG GHYHORSPHQW /HYHO SDUWQHU VWDWXV U FRQWULEXWLRQ WR DLUFUDIW GHYHORSPHQW VWDII DQG D QDWLRQDO GHSXW\ DW GLUHFWR LQWHUQDWLRQDO SDUWQHU LQ WHUPV RI ÀQD SDUWQHU 2Q 'HFHPEHU WKH 86 DQG 028 RQ %ULWLVK SDUWLFLSDWLRQ LQ WKH -6) LQ WKH GHÀQLWLRQ RI UHTXLUHPHQWV DQG D WKH %ULWLVK JRYHUQPHQW WR FRQWULEXWH WKH ² &'3 -DQXDU\ WKH 86 DQG 8 VLJQHG DQ 028 ÀQDOL]LQJ WKH 8.·V SDUWLFL WKH 8. FRPPLWWLQJ WR VSHQGLQJ 86 ELO HVWLPDWHG FRVW RI 6''

/HYHO UHTXLUHV DQ LQYHVWPHQW RI 86 E\ ,WDO\ DQG WKH 1HWKHUODQGV FRQWULEX OLRQ UHVSHFWLYHO\ $XVWUDOLD 'HQPDUN WKH) SURJUDP DV /HYHO SDUWQHUV ZLW PLOOLRQ WR 86 PLOOLRQ

$QDO\VWV VD\ WKDW %ULWDLQ·V ² DQG RW SURJUDP PDNHV LW PXFK PRUH GLIÀFXOW IRU WR FDQFHO WKH SURJUDP ,Q KLV FRQILUPDWLRQ KHDULQJ ' 3HWH $OGULGJH WHVWLÀHG WKDW DQ\ GHFLV WR ZHLJK LWV ´LQWHUQDWLRQDO LPSOLFDWL

(;3(&7(' '(/,9(5< 6&+('8/(

$W WKH WLPH RI WKH VLJQLQJ RI WKH DLUFUDIW ZHUH WR EH RUGHUHG EHWZHHQ RU ZHUH IRU WKH 86 DQG ZHUH IRU 7KH SHDN SURFXUHPHQW \HDUV ZRXOG EH WLPH DLUFUDIW ZRXOG EH SURGXFHG DQQ 028 WLWOHG (VWLPDWHG -6) $LU 9HKLFOH 3U $QQH[RI WKLV ERRN 'HOLYHULHV ZRXOG ÁI RUGHU GDWH &DQDGD·V WRWDO ZDV IRU D

&+$37(5

&DQDGD (QWHUV WKH -6

-2,1,1* 7+(352*5$0

&DQDGD (QWHUV WKH -6) 3URJUDP

7KHUH DUH DOVR H[WHQVLYH QRQ ÀQDQFL

,1'8675,$/ %(1(),76

%\ DQ\ REMHFWLYH PHDVXUH &DQDGLDQ L
VWDQGLQJ $V RI HDUO\ &DQDGLDQ FI
LQYROYHG ZLWK RU KDG H[SUHVVHG LQWHUH
GLVSOD\V WKH UHJLRQDO GLVWULEXWLRQ RI
GLVSOD\V PDMRU DZDUGV DQG FRPPLWPHQWV

7KHVH DZDUGV GR QRW QHDUO\ UHÁHFW WK
VXFFHVV WR GDWH +HUH DUH VRPH QRWHZRU

Participation

D FRPSHWLWLYH RSSRUWXQLWLHV ZHUH

FIg u r E 2.1 Canadian Firms Identi fed to JSF Companies

TAbLE 2.1

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3URJUDP 6WDWXV

352*5$0 '(9(/230(17

7KH 86 *RYHUQPHQW $FFRXQWDELOLW\ 2IÀ
DXGLWRU RI WKH 86 JRYHUQPHQW·V FRQVRO
RI WKH DJHQF\·V ZRUN LQYROYHV SURJUDP H
OHJDO RSLQLRQV DQG GHFLVLRQV RQ D EUR
DQG DFWLYLWLHV ERWK LQ WKH 86 DQG DEURDG
*$2 SURYLGHG D YHU\ VRPEUH DVVHVVPHQW R
-6) SURJUDP 7KH *$2 VWDWHG WKDW

DIWHU PRUH WKDQ QLQH \HDUV LQ GHYHORSPH
SURJUDP KDV QRW IXOO\ GHPRQVWUDWHG WKDW
WXULQJ SURFHVVHV DUH PDWXUH DQG WKH V\V
DUH VWLOO EHLQJ UHOHDVHG WR WKH PÀGXFW1

RXWFRPHV 5HVWUXFWXULQJ KDV FRQVHTXHQFH
DLUFUDIW LQ WKH QHDU WHUP WUDLQLQJ GHO
GHOLYHULQJ FDSDELOLWLHV WR ZDUÀJKWHUV

$QG ÀQDOO\

1HDU WHUP SURFXUHPHQW TXDQWLWLHV ZHUH
WKH DQQXDO UDWH RI LQFUHDVH LQ SURG
SURGXFWLRQ GHFLVLRQ PRYHG WR D \HD
7KH PLOLWDU\ VHUYLFHV ZHUH GLUHFWHG WR
FDSDELOLW\ ,2& UHTXLUHPHQWV WKH FULWL
PXVW KDYH LQ SODFH WKH ÀUVW LQFUHPHQW R
EDW :H H[SHFW WKH 0DULQH &RUSV· ,2& ZLOO
GDWH DQG WKDW WKH $LU)RUFH·V DQG 1D
WKH FXUUHQW GDWHV LQ

$V RI 1RYHPEHU WKH GHYHORSPHQW R
E\ DW OHDVW IRXU \HDUV DQG WKH GHYHORSI
IURP 86 ELOOLRQ LQ WR 86 ELOO

&267 2) $,5&5$)7

2YHU WKH SDVW GHFDGH WKH -6) SURJUD
LQFUHDVHV ,Q 0DUFK WKH 86 'HSDUWPHQ
SURJUDP H[SHULHQFHG D EUHDFK RI WKH FUL
XQGHU ZKDW LV NQRZQ DV WKH 1XQQ 0F&XUG
HQFHV D 1XQQ 0F&XUG\ EUHDFK RI WKH FULW
LV UHTXLUHG WR WDNH D QXPEHU RI VWHSV L
VXEPLWWLQJ D FHUWLÀFDWLRQ WR &RQJUHVV
&RPPRQ\ UHIHUUHG WR DV 1XQQ 0F&XUG\
WKH UHTXLUHPHQW IRU '2' WR VXEPLW XQLW
TXLVLWLRQ SURJUDPV RU GHVLJQDWHG PDMR
WUDFNHG DJDLQVW WKH FXUUHQW DQG RULJL
SURFXUHPHQW XQLW FRVW WRWDO SURFXUH
V\VWHPV SURFXUHG DQG SURJUDP DFTXLVLW
RSPHQW SURFXUHPHQW DQG V\VWHP VSHFL
E\ WKH TXDQWLW\ RI V\VWHPV SURFXUHG ,I
RU DFTXLVLWLRQ XQLW FRVW LQFUHDVHV E\
EDVHOLQH HVWLPDWH RU DW OHDVW SHUFH
LW FRQVWLWXWHV D EUHDFK RI WKH FULWLF
UHTXLUHG WR QRWLI\ &RQJUHVV LI D 1XQQ 0F

7KH 'HSDUWPHQW RI 'HIHQVH VXEVHTXHQWO
LQ -XQH WKDW WKH -6) SURJUDP VKRXOG
PDUL]HV WKH HYROXWLRQ RI -6) FRVW HVWLPD
KLVWRU\ WKURXJK WKH 1XQQ 0F&XUG\ UH
-DQXDU\ WKH 6HFUHWDU\ RI 'HIHQVH DQQ
FRVW LQFUHDVHV DQG IXUWKHU FKDQJHV FR
EXW KDV QRW \HW HVWDEOLVKHG D QHZ DSSU

TAbLE 3.1
Changes in reported JSF Program Cost, Quantities, and Deliveries

	2FWREHU	'HFHPEHU	0DUFK	$SULO	-XQH
	V\VWHP GHYHORS PHQW VWDUW	SODQQLQJ EDVHOLQH	DSSURYHG LQLWLDO	SURJUDP UHVWUXFWXUH	1XQQ 0F&XUG\
Expected quantities					
F ' ,OWTP					

,I \RX ZHUH WR DVN D VDOHVPDQ IRU WKH
WKH VDOHVPDQ UHVSRQGHG WKDW WKH GLUH
UHDFW" 0RVW OLNHO\ \RX ZRXOG EH RIIHQGH
FRQIXVHG <RX ZRXOG NQRZ WKDW \RXU ÀQDO
ZRXOG LQFOXGH GLUHFW PDWHULDO FRVWV
IHHO WKDW WKH VDOHVPDQ ZDV WU\LQJ WR P
JRYHUQPHQW KDV GRQH ZLWK UHVSHFW WR W

2QH RI WKH PDLQ GLÀFXOWLHV ZLWK WKH
) LV WKDW WKHUH DUH VR PDQ\ GHÀQLWLRQ
´XQLW UHFXULQJ Á\DZD\ FRVW µ WKH ´WRWD
XQLW FRVW µ WKH ´DFTXLVLWLRQ XQLW FRVW
IHZ $QQH[GHVFULEHV WKHVH FRVWV DQG VH

2I DOO WKH FRVW WHUPV WKH ´XQLW UHF
HVW FRPSRQHQW RI WKH RYHUDOO FRVW ,W
HTXLSPHQW VXSSRUW DQG WUDLQLQJ HTXLSI
LV D PRUH DFFXUDWH UHÁHFWLRQ RI WKH DF
WKH ´SURFXUHPHQW XQLW FRVW µ DQG LV FR
SURFXUHPHQW XQLW FRVWµ RU $38&

$V PHQWLRQHG DERYH &DQDGD DV ZHOO I
028 LV H[HPSW IURP SD\LQJ WKH UHVHDUFK D
DWLRQ FRVWV DVVRFLDWHG ZLWK WKH SURJU
DQG DV VXFK DQ\ FRVWV TXRWHG VKRXOG H
,W LV WKH $38& QRW WKH XQLW UHFXULQJ Á
WR &DQDGD WR SXUFKDVH WKH) <HW LW LV
WKH JRYHUQPHQW TXRWHV DW PLOOLRQ

$V 7DEOH LQGLFDWHV WKH $38& KDV U
WKH ODXQFK RI WKH GHYHORSPHQW SURJUDP
DQ LQFUHDVH RI SHUFHQW :KLOH WKHVH
DQWV WKH\ GR UHÁHFW WKH KXJH FRVW RYHU
&KDSWHU ZLOO GLVFXVV LQ JUHDWHU GHSW
LQ RUGHU WR DFTXLUH DQG VXVWDLQ WKH)

TAbLE 3.2 Air Power Australia Analysis of JSF Program of record

Historical record and Independent Assessment of Progressive Decline in Commitments to buy: uSA, Total Program and International Partners

3URJUDP 6WDWXV

3URJUDP 6WDWXV

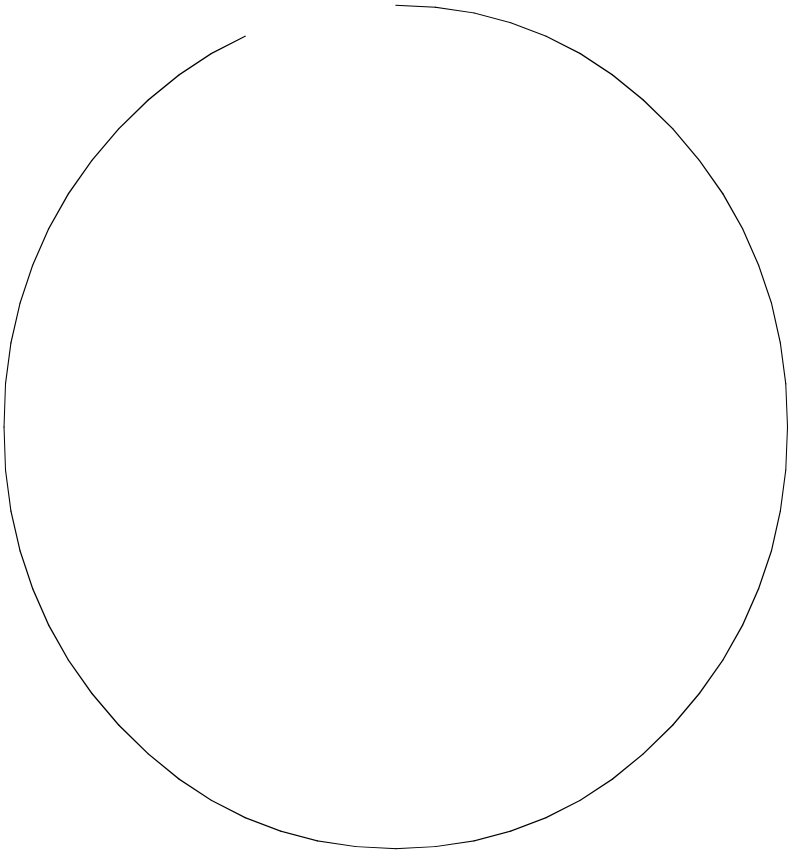
DLUFUDIW WR 7KH LQLWLDO SODQ ZDV IRU /5
DLUFUDIW ,Q DGGLWLRQ WKH 86 $LU)RUFH Z
H[WHQVLRQ SURJUDP 6/(3 DQG DYLRQLFV XSJ
)DOFRQV WR FRPSHQVDWH IRU DQ H[SHFWHG
LV H[SHFWHG WR FRVW 'HQPDUN 86 DV ELOOLRQ
FKRLFH RI WKH) ,W ZLOO GHFLGH QH[W \H
ZKLFK WKH) $ ( ) 6XSHU +RUQHW LV WKH PD

&+$37(5

&DQDGD·V 6ROH 6RXUFH

7+($11281&(0(17

FIg u rE 4.1
Defence Procurement Process



6RXUFH $ODQ 6 :LOOLDPV 5HLQYHQWLQJ &DQDGLDQ '
WKH ,QVLGH 0F*LOO 4XHHQ·V 8QLYHUVLW\ 3UHVV

HYDOXDWLQJ WKH ELGV DQG LGHQWLI\LQJ WK
IRU VSHFLI\LQJ DQG HQVXULQJ WKDW WKH D
WULDO DQG UHJLRQDO EHQHÀWV DUH REWDLQ
QHFHVVDU\ PLQLVWHULDO DQG RU FDELQHW D
WKH ZLQQHU RI WKH FRPSHWLWLRQ

6DGO\ -XOLDQ)DQWLQR $VVRFLDWH 0LQLV
VLEOH IRU GHIHQFH SURFXUHPHQW LV XQDZD
LQ KLV RUJDQL]DWLRQ $SS3HDUZHLQQDQG 2KWRWLEW
ZDV DVNHG D VWUDLJKWIRUZDUG TXHVWLRQ I
PRQ ´'RHV WKH EXFN VWRS ZLWK \RX"µ ,Q RW
DFFRXQWDEOH IRU GHIHQFH SURFXUHPHQW" 7
WKH TXHVWLRQ ZLWK UHVSHFW WR KLV RZQ D
PLQLVWHU LV DFFRXQWDEOH IRU GHIHQFH SU
PHQW RI 0LQLVWHU)DQWLQR WKH DFFRXQWD
PXGGLHG 1RZ WKHUH DUH WKUHH PLQLVWHU
ZKRVH UROHV DQG UHVSRQVLELOLWLHV RYHU
GLVFXVVLRQ RI WKLV FULWLF5HOLQYHQWLQJ
3URFXUHPHQW $ 9LHZ0LQLVWHU)DQWLQR ZDV

D FRPSHWLWLRQ 5LJJLQJ DQ 625 WR HQVXUH
KRZHYHU LV QRW D YDOLG UHDVRQ WR VROH

$V PHQWLRQHG DERYH WKH SUHSDUDWLRQ
RU IRXQGDWLRQ IRU DQ RSHQ IDLU DQG WUD
VXSSOLHUV DUH LQYLWHG WR ELG DQG D UHFI
WKH ZLQQLQJ ELGGHU %XW LQ WKH FDVH RI
RI HYHQWV WRRN SODFH ,Q D EULHÀQJ
WKH PLQVWHU WKDW WKH ´-6) IDPLO\ RI DLUF

À\ Wd @ U DWpdP 0\HWPdP

µ$W WKH VDPH KHDULQJ 0LQLVWHU 3HWH
LV HYLGHQFHG E\ WKLV H[FKDQJH ZLWK -DFN

Mr. Jack Harris: 0U 0LQLVWHU ZLWK UHVSHFW , WK
LQWHOOLJHQFH WR VXJJHVW WKDW WKDW FRPS
&DQDGLDQ PLOLWDU\ UHTXLUHPHQWV IRU WKH

Hon. Peter MacKay: 7KDW·V H[DFWO\ ZKDW LW GLG

Mr. Jack Harris: 7KDW ZDV DERXW ZKR ZRXOG EXLOG
DERXW ZKHWKHU RU QRW &DQDGD ZRXOG SXUF

Hon. Peter MacKay: 7KH FRPSHWLWLRQ ZDV H[DFWO\ DE
DLUFUDIW IRU &DQDGD

7KH JRYHUQPHQW LV FODLPLQJ WKDW WKH
GXULQJ ZKLFK /RFNKHHG 0DUWLQ ZDV VHOHFWH
6WULNH)LJKWHU VDWLVÀHG &DQDGD·V UHTX
DQG WKH IDFWV DUH FOHDU

)LUVW ZKHQ WKH DQQRXQFHPHQW ZDV PD
RIÀFLDOV IURP WKH 86 DQG WKH 8. ZHUH VWD
WLRQHG HDUOLHU RQ 'HFHPEHU WKHVH
HVWDEOLVK WKH 8. DV D FROODERUDWLYH SD
DQG DLUFUDIW GHVLJQ 7KH 8. SDLG GHDUO\
PLOOLRQ WR WKH ÀUVW SKDVH &DQDGD F
ELOOLRQ WR WKH VHFRQG SKDVH &DQDGD
8. DQG RQO\ WKH 8. MRLQHG WKH 86 WR EH D
WKDW FKRVH /RFNKHHG 0DUWLQ RYHU %RHLQ

6HFRQG IRU WKH FRPSHWLWLRQ WR KD
&DQDGD ZRXOG KDYH KDG WR GHWHUPLQH LV
WKH\ ZHUH LQFRUSRUDWHG LQWR WKH HYDOX
GLG QRW RFFXU $V ZH QRZ NQRZ &DQDGD·V
QLQH \HDUV ODWHU DV /LHXWHQDQW *HQHUD
KH DSSHDUHG EHIRUH 3DUOLDPHQW LQ 1RYHPEHU)XUW

WR HQVXUH WKH\ FRXOG ODVW XQWLO [2]
LQJ WKDW &DQDGD·V 625 ZDV QRW DYDLODEO
FKRVHQ E\ WKH 86 '2' DQG WKH 8. 0LQLVWU\ I

2. The government was just continuing along the lines established by the previous Liberal government.

,Q PDNLQJ VXFK FODLPV WKH JRYHUQPHQ
$V WKH SHUVRQ ZKR VLJQHG WKH 02 €\ F

3. The F-35 is the best aircraft at the best price.

7KLV FODLP KDV EHHQ WKH JRYHUQPHQW·V

,V WKH -6) WKH RQO\ MHW DLUFUDIW FDSD
RI &) V" :LWK WKH VSLUDOOLQJ FRVWV RI W
RGGV RYHU WKLV SURJUDP :KDW ZRXOG &DQ
FDQFHOOHG" :RXOG ZH VD\ WKHUH LV QR DFF
V" , GRQ·W WKLQN VR 0RUH OLNHO\ ZH ZRX
SLFN WKH EHVW DYDLODEOH RSWLRQ LQ WKH
VROXWLRQ LV DYDLODEOH WR UHSODFH RXU &
DQG GLVDGYDQWDJHV $Q RSHQ IDLU DQG WU
DQG GHWHUPLQHV WKH EHVW VROXWLRQ IRU &
VXFK D FRPSHWLWLRQ 0RGLI\LQJ WKH VWDWH
RSHQ IDLU DQG WUDQVSDUHQW FRPSHWLWLL
SURFHVV FDQ EH FRQFOXGHG ZLWKLQ WZR WR
FDQ PDNH D GHFLVLRQ E\ $OORZLQJ WZR
OHDG WLPH LQ WKH -6) SURJUDP RXU UHSOD
WR DUULYH LQ RU UQ0FLRQÐP RU Y €
WR D SWKH D SH pR G RI Pp< P0
W€ IWR D R RD

HVWLPDWH ZDV UHÁHFWHG LQ WKH PDWHULD EHIRUH WKH 3DUOLDPHQWDU\ DQG +RXVH 7KHUH DUH WKUHH ÁDZV ZLWK WKLV FRVW HV SOHWH)RU H[DPSOH LW PDNHV QR PHQWLRQ DLUFUDIW ZLWK WKH VDWHOOLWH FRPPXQLFD IURP WKH QRUWK $QQH[6HFRQG WKLV F WKH 86 $LU)RUFH ,Q LWV EXGJHW SUHVH)RUFH LQGLFDWHG DQ H[SHFWHG ´XQLW UHFX PLOOLRQ µ SHUFHQW DER)XH **WKDW**PRU'H1'·W '2' SUHSDUHV DQQXDO UHSRUWV RQ WKH SUR UHIHUUHG WR DV 6HOHFWHG $FTXLVLWLRQ 5H LV EDVHG XSRQ SDJH IURP WKH 'HFHPEHU DJH FRVWV FDOFXODWHG DQG DGGHG WR WKH

$V LV HYLGHQFHG IURP WKH FROXPQ WLWOH MHFWLQJ IRUZDUG WR WKH \HDU DW QR W FRVW GURS EHORZ 86 PLOOLRQ GROODUV

:KLOH WKHVH WZR HUURUV DUH VHULRXV ÁDZ LQ WKH JRYHUQPHQW·V 86 PLOOLRQ UHFXUULQJ Á\DZD\ FRVW GRHV QRW UHÁHFW WKH) $V PHQWLRQHG HDUOLHU LQ &KDSWH WKH WUXH FRVW L H WKH SULFH DQG LW L

7DEOH VKRZV WKDW IURP WR -XQH XQLW FRVW IRU DOO WKUHH RI WKH) YDUL PLOOLRQ $GPLWWHGO\ WKLV LV DQ DYHU LQ 0DUFK 9LFH $GPLUDO 'DYLG 9HQOHW $) -RLQW 3URJUDP 2IÀFH DSSHDUHG EHIRUH UHJDUGLQJ WKH) V +H WROG WKH FRPPLW WKH SURJUDP KH LV FRQÀGHQW LQ KLV QHZ PRGHO &DQDGD SODQV WR DFTXLUH KLV SU PLOOLRQ LQFOXGLQJ 86 PLOOLRQ IRU WKH 86 PLOOLRQ DYHUDJH

6HFRQG ,VUDHO KDV SXUFKDVHG) $V D PLOOLRQ $V ,VUDHO LV RQO\ FRQVLGHUHG D WKHLU FRVW LQFOXGHV WKH UHVHDUFK DQG RI DSSUR[LPDWHO\ 86 PLOOLRQ IRU HDFK IURP WKHLU FRVW UHVXOWV LQ DQ DYHUDJH

1RQH RI XV FDQ NQRZ IRU FHUWDLQ ZKDW ZLOO EH XQWLO ZH JHW D ÀUP SULFH TXRWH PD\ GURS 2Q WKH RWKHU KDQG LQ WKH VK

TAbLE 4.1
Extract from 2010 SAr report

$QQXDO)XQGLQJ 7<

	_ 3URFXUHPHQW	_ $LUFUDIW 3URFXUHPHQW		) $ &RQW	$LU)RU	
)LVFDO <HDU	4W\	(QG ,WHP 5HFXUULQJ)O\DZD\ 7< 0	8QLW 5HFXUULQJ)O\DZD\ 7< 0	1RQ 5HFXUULQJ)O\DZD\ 7< 0	(QG ,WHP 5HFXUULQJ 1RQ 5HFXUULQJ)O\DZD\ 7< 0	7RWDO)O\DZD\ 7< 0
			2		2	

6XEWRWDO

6RXUFH '2' 6$5 5HSRUW 'HFHPEHU S

HYHQ PRUH XSZDUG SUHVVXUH RQ WKH FRVW
VRPH RI LWV SODQQHG RUGHU TXDQWLWLHV
EXGJHW DQG EHFDXVH RI WKH PDQ\ WHFKQLF
,QWHUQDWLRQDO SDUWQHUV OLNH WKH 8. DU
DQG PD\ DOVR UHGXFH WKHLU RUGHU TXDQWL
ZRXOG SUHIHU WR SURFXU WKHVH MHWV EHW
LWV FXUUHQW ÁHHW RI &) V LQ D WLPHO\ PD
SHULRG PD\ QR ORQJHU EH WKH SHULRG ZLW
XQLW FRVWV

$OO HYLGHQFH WR GDWH LQGLFDWHV WKDW
SHU DLUFUDIW UDWKHU WKDQ 86 PLOOLR
DLUFUDIW $W D PLQLPXP WKH JRYHUQPHQW
V DD 0HZLWK &DQDGLDQV DOWHUQDWLYH FRVW DQG

WKDW DUH EHLQJ VSHQW 0LQLVWHU)DQWLQ
YHU\ UHVSRQVLEOH ZLWK WD[SD\HU GROODUV µ 6R
ELOOLRQV RI RXU GROODUV ZLWKRXW NQRZL
ZKDW WKH\ ZLOO EH FDSDEOH RI SHUIRUPLQJ

5. Canada needs the F-35 because of the industrial and regional benefts.

,QGXVWULDO DQG UHJLRQDO EHQHÀWV ,5%
QDQW LQ VHOHFWLQJ D ZLQQLQJ ELG LQ DQ\
FRQVLGHUDWLRQ PXVW EH WKH FDSDELOLW\
PHQWV RI WKH PLOLWDU\ ,I LW FDQQRW LW
LV WKH HTXLSPHQW ZLOO EH UHMHFWHG %LG
7KH\ DOVR DUH YHU\ PXFK DZDUH RI WKH QHF
PHHWV WKH FULWHULD HVWDEOLVKHG E\ ,& ,
DQG VXSSOLHUV ZRUN KDUG WR HQVXUH WKD
+RZHYHU OLVWHQLQJ WR JRYHUQPHQW PLQL
RI WKH) \RX ZRXOG ZRQGHU ZKDW GULYHV
WKH RSHUDWLRQDO UHTXLUHPHQWV RI WKH P

)RU H[DPSOH DSSHDULQJ EHIRUH WKH 1''1
&OHPHQW FRPPHQWHG

<RX·YH KLW XSRQ D NH\ SRLQW KHUH 6RPH SHR
:HOO KHUH·V WKH GHDO 7KH JOREDO VXSSO\ F
SODFH E\ WKH HQG RI WKLV \HDU ,I ZH GLG QR
ZH ZRXOG EH UXQQLQJ WKH ULVN RI &DQDGLD
DQG FRPSHWH DV SDUW RI WKH JOREDO VXSSO
KHDULQJ IURP &DQDGLDQ LQGXVWU\ IRU WKH E
7KH ULVN RI VWDUWLQJ WKH SURFHVV DOO RYH
EH DEOH WR EH SDUW RI WKLV GHDO

7KLV VWDWHPHQW PDNHV LW FOHDU WKDW
MHWV LQ -XO\ RXW RI IHDU WKDW ZH ZR
EHFDXVH LW ZDV ´WKH EHVW DLUFUDIW DW W
VXJJHVWV WKDW WKH JRYHUQPHQW QRZ OHWV
DQG ZKDW ZH EX\

)XUWKHUPRUH WR VXJJHVW WKDW LI ZH GL
ORVH IXWXUH RSSRUWXQLWLHV WR FRPSHWH
DV D VLJQDWRU\ WR WKH 028V &DQDGD·V
EXVLQHVV RSSRUWXQLWLHV $ IRUPDO FRPPL
2WKHU SDUWQHU FRXQWULHV KDYH GHOD\HG
EHLQJ LVRODWHG IURP FRQWUDFW RSSRUWX

RI D &DQDGLDQ FRPSDQ\ WKDW KDV DOUHDG
SURJUDP , WRR ZRXOG PDNH WKLV SLWFK WR
EH DVWRQLVKHG WR ÀQG WKDW WKH JRYHUQP

%XW DUH WKH ,5%V IURP WKH -6) SURJUDP
ZRXOG KDYH XV EHOLHYH" 7KH JRYHUQPHQW
&DQDGLDQV WKLQN VR ,Q WKHLU DSSHDUDQF
0LQLVWHUV 0DF.D\ $PEURVH DQG &OHPH
VXSSO\ FKDLQ µVXVSLFLRXV WKDW WKH EDFNURR
JXUXV VWUDWHJL]HG WKDW WKLV WHUP ZDV
RYHU DQG RYHU GRHVQ·W PDNH LW WUXH 7K

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&ORVLQJ 2EVHUYDWLRQ

$V , ÀQDOL]H WKLV PDQXVFULSW RQ 5HPH

, DP UHPLQGHG RI WKH IDFW WKDW WKH O
D WKHRUHWLFDO HVRWHULF EXUHDXFUDWLF
XV 7R WKH FRQWUDU\ LWV EHQHÀFLDULHV D
7KH OLYHV RI WKHVH PHQ DQG ZRPHQ DUH G
HTXLSPHQW WR WKH ULJKW SODFH DW WKH UL
DKHDG RI WKHLU LQWHUHVWV LV XQFRQVFLRQ

<HW WKDW LV SUHFLVHO\ ZKDW KDV RFFXU
EXUHDXFUDWV KDYH IRUVDNHQ WKHLU SXEOL
LQJ SURYHQ RII WKH VKHOI HTXLSPHQW DV R
OHQJWKLHU [illegible]

1RWHV

)RU PRUH LQIRUPDWLRQ RQ WKH KLVWRU\ DQG
RI WKH -6) SURJUDP SOHDVH UHIHU WR &KULVW
WLRQDO 'HIHQVH)RUHLJQ $IIDLUV 'HIHQVH D
WR &RQJUHVV ´) -RLQW 6WULNH)LJKWHU -6
DQG ,VVXHV µ XSGDWHG &56 &5-XO\ SS

,ELG

-DVRQ .LUE\ ´9LFWRULD &DQDGD WKH 6N\ LQ &HQWHU 6XLWH 1RYHPEHU
S

)RU PRUH LQIRUPDWLRQ RQ LQWHUQDWLRQDO
SOHDVH UHIHU WR -HUHPLDK *HUWOHU 6SHFLD
-RLQW 6WULNH)LJKWHU -6) 3URJUDP %DFNJU
$SULO SS

5HXWHUV ´1R GHFLVLRQ RQ ÀQDO 8. ÀJKWHU Q
DFFHVVHG DW KWWS ZZZ UHXWHUV FRP DU
GHIHQFH MVI LG86:($ ´'DYLG &DPHURQ
DQG MHW ÀJKWHUV FRQIXVLRQ FRVW PLOOLRQV µ DFFHVVH
ZZZ WHOHJUDSK FR XN QHZV XNQHZV GHIHQFH
DLUFUDIW FDUULHU DQG MHW ÀJKWHUV FRXOG

´86 8. 6LJQ -$67 $JUHHPHQW µ 'DLO\ 0HPEHU S

*UHJ 6FKQHLGHU ´%ULWDLQ EDFNV -RLQW 6WULNH
-DQXDU\ ´%ULWLVK FRPPLWPHQW VHHQ D
)LJKWHU µ ,QVLGH WKH $LU)RUFH

0DUF 6HOLQJHU ´-6) GHFLVLRQ VKRXOG ZHLJK
QRPLQHH IRU DFTXLVLWLRQ SRVW VD\V µ $HUR

&%& 1HZV ´1HZ) MHWV ZLOO PLVV DLU IRUFH
DFFHVVHG DW KWWS ZZZ FEF FD QHZV SROLWL
KWPO

5HXWHUV ´&DQDGD WR EX\ IHZHU) ÀJKWHUV
DFFHVVHG DW KWWS ZZZ UHXWHUV FRP DUW
LG861

&56 5HSRUW 5/ -RLQW 6WULNH)LJKWHU -
6WDWXV DQG ,VVXHV 8SGDWHG $SULO S

1RWHV

'1' 'HFN 3URJUDP %DFNJURXQG 2WWDZD '1' -

$FRS\ RI WKLV VWXG\ LV DYDLODEOH DW ZZZ
LG KWPO

)RU KLV YLHZ RQ WKH *$2 QDPH DQG IXQFWLRQ
WUROOHU *HQHUDO RI WKH 8QLWHG 6WDWHV
LQ D 1DPH"µ &D-XOO\ DFFHVVHG DW KWWS
UROOFDOO SGI

*$2 7 ´:KDW *$2)RXQG µ 0DUFK

,ELG S

*RSDO 5DWQDP DQG 7RQ\ &DSDFFLR ´/RFNKHHG
'HFDGH LQ ¶5LFK 0DQ·V :RUOG ·µ K1WRYSHPEHU
EORRPEHUJ FRP QHZV ORFNKHHG V I F
LQ ULFK PDQ V ZRUOG KWPO

*$2 S

,ELG

,ELG

*$2 S

1UHO 3LWWDZD\ ´$XVWUDOLD ODXQFKHV) UH
DW KWWS ZZZ GHIHQVHQHZV FRP VWRU\ SKS"L

´$XVWUDOLD ZHLJKV) V LI 'RZV-RQHV\HZVZLUH
2FWREHU DFFHVVHG DW KWWS ZZZ GRZ
ZHLJKV I V LI MHWV GHOD\HG PLQLVWHU KW

0DWWKHZ 3RWWHU ´6HQDWRUV /HYLQ DQG 0F
UHSURJUDPPLQJ 'HPHQWLD µ 3URFXUHPHQW 1HZV DFFHVVH

1RWHV

2IÀFH RI WKH 3DUOLDPHQWDU\ %XGJHW 2IÀFH
,PSDFW RI &DQDGD·V 3URSRVHG $FTXLVLWLRQ
6WULNH)LJKWHU µ 0DUFK DFFHVVHG D
GRFXPHQWV) B&RVWB(VWLPDWHB(1 SGI

´)DQWLQR RQ) FRV3RZHU µ & %DQG 1HYLOOH RI 3ROLWLFV
2FWREHU DFFHVVHG DW KWWS ZZZ FE
3RZHUB B3ROLWLFV ,'

1''1 6HSWHPEHU DFFHVVHG DW KWWS Z
WLRQV 3XEOLFDWLRQ DVS["'RF,G /DQJXDJ
6HV

,ELG

1''1 $SULO DFFHVVHG DW KWWS ZZZ SD
3XEOLFDWLRQ DVS["'RF,G /DQJXDJH (0RG

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([WUDFWV IURP 36)'

7KH RYHUDOO REMHFWLYH RI WKH -6) 36)' (
WLRQ VXVWDLQPHQW DQG IROORZ RQ GHYHO

7DEOH ,Q 7< 8 6 'ROODUV

3DUWLFLSDQW	0D[LPXP &RQWULEXWLRQ
$XVWUDOLD	%
&DQDGD	%
'HQPDUN	%
,WDO\	%
7KH 1HWKHUODQGV	%
1RUZD\	%
7XUNH\	%
8QLWHG .LQJGRP	%
8QLWHG 6WDWHV	%

$OO DFWLYLWLHV RI WKH 3DUWLFLSDQWV DFFRUGDQFH ZLWK WKHLU QDWLRQDO ODZV D FRQWURO ODZV DQG UHJXODWLRQV 7KH UHV EH VXEMHFW WR WKH DYDLODELOLW\ RI IXQG DUH QRW DGHTXDWH WR IXOÀOO D 3DUWLFLS 6HFWLRQ 9)LQDQFLDO 3URYLVLRQV ZLOO D

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([WUDFWV IURP 6'' 0

7KH 3DUWLFLSDQWV LQWHQG WR SURPRW
RSHUDWLRQ EHWZHHQ WKH 8QLWHG 6WDWHV DQ

8 6 'R' UHVHDUFK DQG GHYHORSPHQW FRY
ZLOO QRW DSSO\ WR DQ\ $LU 6\VWHPV WKDW
SXUVXDQW WR 8 6 FRPPHUFLDO H[SRUW OLFH
FRRSHUDWLYH SURGXFWLRQ DUUDQJHPHQWV
E\ WKH 8 6 *RYHUQPHQW WR WKH &DQDGLDQ
WKH 8 6 'R' ZLOO FRQVLGHU H[FOXGLQJ IUR
DOO RI WKH 8 6 'R' UHVHDUFK DQG GHYHORS
6\VWHP SURYLGHG WKDW WKH &$ '1' GRHV QR
)UDPHZRUN 028 DQG WKLV 6XSSOHPHQW ,Q D
'1' UHVHDUFK DQG GHYHORSPHQW FRVWV LQF
EH H[FOXGHG IURP WKH SULFH RI DQ\ $LU 6\V
WR WKH &DQDGLDQ *RYHUQPHQW

7KH 3DUWLFLSDQWV UHFRJQL]H WKDW SX
6'')UDPHZRUN 028 WKH\ ZLOO EH JLYHQ WKH
IURP VDOHV DQG RWKHU WUDQVIHUV WR 7KLU
WKDW 028 LQ RUGHU WR UHFRXS WKHLU LQYH

6XEMHFW WR QDWLRQDO ODZV SROLFLH
ZLOO LQ HYDOXDWLQJ RIIHUV IURP &DQDGLD
VXSSOLHV DW ERWK WKH SULPH DQG VXEFR
ZLWKRXW DSSOLFDWLRQ RI WKH %X\ $PHULFD
&DQDGLDQ RIIHUV

,Q RUGHU IRU WKH &$ '1' WR DVVXUH LWV
WLRQV DUH FRQGXFWHG IDLUO\ DQG SURYLGH
WKH &$ '1' ZLWK LQVLJKW LQWR WKH VXEFRQ
SDUWLFLSDWLRQ DWWHQGDQFH DW 3URJUDP
WKH -6) 3URJUDP 2IÀFH HOHFWURQLF QHWZRU

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-6) 3UHVV 5HOHDVH -

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,QWHUYLHZ ZLWK /W *H
'HVFKDPSV

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$,7

$UWLFOH RI WKH $,7 VWDWHV WKDW

$Q HQWLW\ RI D 3DUW\ PD\ XVH SURFXUHPHQW WKRVH GHVFULEHG LQ SDUDJUDSKV WKURXJK SURYLGHG WKDW LW GRHV QRW GR VR IRU WKH

$QQH[

$UWLFOH RI WKH $,7 VWDWHV

:KHUH RQO\ RQH VXSSOLHU LV DEOH WR PHHW V
HQWLW\ PD\ XVH SURFXUHPHQW SURFHGXUHV W
LQ SDUDJUDSKV RQH WKURXJK WHQ LQ WKH IR

D [illegible]
ULJKWV VXFK DV H[FOXVLYH OLFHQVHV FRS
WDLQ VSHFLDOL]HG SURGXFWV WKDW PXVW

W [illegible] WLEO

National Security

$UWLFOH RI WKH $,7 UHDGV DV IROORZV

1RWKLQJ LQ WKLV $JUHHPHQW VKDOO EH FRQV

D UHTXLUH WKH IHGHUDO JRYHUQPHQW WR SURY
WKH GLVFORVXUH RI ZKLFK LW GHWHUPLQHV
RU

E SHUYHQW WKH IHGHUDO JRYHUQPHQW IURP W
HUV QHFHVVDU\ WR SURWHFW QDWLRQDO V
LQWHUQDWLRQDO REOLJDWLRQV IRU WKH PD
VHFXULW\

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([WUDFWV IURP 7UHDVXU
&RQWUDFWLQJ 3ROLF\

Tb Contracting Policy

10.2 Exceptions

6HFWLRQ *RYHUQPHQW &RQWUDFWV 5HJXO
H[FHSWLRQV WKDW SHUPLW WKH FRQWUDFWL
WR VROLFLW ELGV 7KHVH DUH

D WHKQHF OUHTR PT\ ÀW 6HD pBG0 W

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,Q H[FHSWLRQ D D SUHVVLQJ HPHUJHQ

6 K R X O G W K H F R Q W U D F W L Q J D X W K R U L W \ K D Y H
W R D Z D U G V X F K D F R Q W U D F W L W V K R X O G E H
D S S U R Y H D G L U H F W H G F R Q W U D F W Z K L F K G R
H [F H S W L R Q V , Q V X F K F D V H V D Q H [F H S W L R Q
2 U G H U , Q & R X Q F L O Z R X O G E H U H T X L U H G

O L Q N K V U Á i F K X 0 R K ` 0 À N p V U P P

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%ULHÀQJ 1RWH ² 6HSWH

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´8. &DQDGD .HHS -6) 2SWLRQV 2SHQµ

;@612 232;@2 0<: "2D@&A.;1 H .?9< !B;<G H 202:/2?

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! # #& "!% # !

<33606.9@ .;1 . 0<;A2;A6<B@ 12/.A2 ?24.?16;4 A52 A?.;@32? <3 @2
A205;<9<4F 6;3<?:.A6<; (=?<0B?2:2;A 0G.? <?1 ?.F@<; @.61

I D.@;KA @B?2 A5.A D2 D2?2 4<6;4 A< 42A A52?2 ,/BA- A56@
6:=<?A.;A @A2==6;4 @A<;2J 3<? A52 0<;A6;B21 =.?A606=.A6<; <3 A
6;41<: <; A52 =?<720A ?.F@<; @.61 1B?6;4 . 20 =?2@@
0<;32?2;02 6; *.@56;4A<; 3<99<D6;4 A52 @64;6;4 <3 A52 :B9A6;.A6
12C29<=:2;A =.0A

;A2?;.A6<;.9 & :2:/2?@ 5.C2 .?4B21 3<? 6;0?2.@21 .002@@ A<
12C29<=6;4 A205;<9<462@ ?29.A21 A< A52 @< A52F 0.; .12>B.
=2?3<?: :.;1.A<?F :.6;A2;.;02 .;1 @B@A.6;:2;A D<?8 A5?<B45 A52 9
<3 A52 .6?0?.3A 1232;@2 @<B?02@ @.F

.?962? A56@ F2.? ?.F@<; A<91 :2:/2?@ <3 A52 &2;.A2 ?:21 &2?C
<::6AA22 A5.A A52 (;6A21 6;41<: D<B91 =B99 <BA <3 A52 0<.9
1B2 A< . =2?026C21 B;D6996;4;2@@ /F A52 $2;A.4<; A< 16@09<@2
A205;<9<460.9 6;3<?:.A6<;

!<?2 ?202;A9F . 20 ??2=<?A 6@@B21 /F . 82F 1232;@2 0<::6AA22
(<B@2 <3 <::<;@ @B442@A21 A5.A A52 !6;6@A?F <3 232;02 I@
:.7<?6AF <3 6A@ 233<?A@J A<D.?1 . I$9.; J .9A2?;.A6C2@ A< A52
A52 (& 0<;A6;B2 A< 12;F 3B99 16@09<@B?2 <3 @2;@6A6C2 A205;<

BA .3A2? .; 6;A2;@2 ?<B;1 <3 9.@A :6;BA2 ;24<A6.A6<;@ 0<B=921
=2?@<;.9 .@@B?.;02 3?<: (& .0>B6@6A6<; 0G.? 2;;2A5 ?624 A5.
(& D<B91 .00<::<1.A2 A526? 12:.;1@ 3<? I<=2?.A6<;.9 @<C2?264;
A52 A52 (;6A21 6;41<: .4?221 A< A52 A2?:@ 6; A52 !#(

'< A5.A 2;1 232;@2 2=.?A:2;A <33606.9@ .9@< 6;821 6;16C61B.9
.4?22:2;A@ D6A5 .;.1. .;1 B@A?.96. ?24.?16;4 A205;<9<4F A?.;@3
6@@B2@ @2;6<? :696A.?F <33606.9@ 3?<: A5<@2 0<B;A?62@ A<9

*6A5 A52 "2A52?9.;1@ @64;6;4 A52 6;A2?;.A6<;.9 =?<0B?2:2;A =.0A
"<C2:/2? A52 ??:.6;6;4 & 0<.96A6<; :2:/2?@ D5< 5.C2 F2A A< @6
.?2 A.9F 'B?82F 2;:.?8 .;1 "<?D.F

C2; D6A5 A205;<9<4F A?.;@32? 6@@B2@ ?2@<9C21 A52 (;6A21 6
=9.;@ A< 2E=9<?2 .9A2?;.A6C2@ A< A52 B;12? A52 I$9.; J @A?
<BA96;21 /F A52 $.?96.:2;A=?F2912327:H@<; @.61

%23B@6;4 A< 4< 6;A< 12A.69@ ?24.?16;4 A5<@2 $9.; <=A6<;@ A5
=?<0B?2:2;A 05623 @.61 56@ 4<C2?;:2;A 5.@ ?2=2.A219F 2:=5.@6G
6:=<?A.;02 <3 @2286;4 .9A2?;.A6C2@

'52 & I=?<C612@ A52 :696A.?F 0.=./696AF D2 ;221 /BA 6A 6@
?645A 3<? A52 (;6A21 6;41<: A< 5.C2 . =9.; J 52 @.61 1B?6;4 A5
/?6236;4

*5692 205<6;4 A52 @2;A6:2;A A5.A =?296:6;.?F 2C.9B.A6<;@ <3 A52
5.C2 @5<D; A52 .6?0?.3A A< /2 A52 .;@D2? A< 6A@ 3645A2? ?2>B6
.;.16.; 1232;@2 <33606.9@ .?2 .9@< 9<<86;4 .A =<A2;A6.9 .9A2?;.A
363A5 42;2?.A6<; .6?0?.3A

I A56;8 A5.A D2 .?2 4<6;4 A< 9<<8 .A A52 3B99 @=20A?B: <3 0.=./6
:22A 3BAB?2 <=2?.A6<;.9 ?2>B6?2:2;A@ J &9.08 @.61 6; A52 6;A2?

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3 6WHDOWK $QDO\VLV

To: The Hon Robert Gates
US Secretary of Defense

Dear Mr Gates,

The term *5th Generation Fighter* appears very frequently these days in public statements, press releases, PowerPoint slides and interviews. More than often the label is attached concurrently to the F-35 Lightning II Joint Strike Fighter and the F-22A Raptor, despite the enormous differences in the design of these aircraft.

This begs two very basic questions. What is a *5th Generation fighter*; and which fighters actually qualify as *5th Generation* designs? The question which follows, is whether the F-35 Lightning II Joint Strike Fighter actually qualifies, on merit, as a *5th Generation fighter*.

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Yours sincerely,

Peter Goon

Peter Goon
Principal Consultant/Adviser
Head of Test and Evaluation
Co-Founder, Air Power Australia
Peter Goon and Associates

Mob: +61 (0)41 980 6476
Sunday, 8 November 2009

All Aspect, Wideband (+1)	All Aspect, Wideband Design Target (0)	Yes or Partial (0)	Yes but Partial (0)	No (-1)
Yes >18 klbs (0)	Yes >20 klbs (0)	Unknown	Yes >18 klbs (0)	Yes >25 klbs (+1)
Yes 6 + 2 (0)	Yes 8 - 10 (0)	Highly Likely Nos. Unknown (0)	Yes 4 (0)	Partial (Tunnel Pod) 2 - 4 (-1)

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Air Power Australia Website - http://www.ausairpower.net/
Air Power Australia Research and Analysis - http://www.ausairpower.net/research.html

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´) 'HIHDWHG LQ $LU &RPEDW 6LPXODWLRQµ

September 7, 2011 (by Eric L. Palmer) -

Part of the presentation showed a computer simulation which calculated that the F-35 would be consistently defeated by the Russian-made SU-35 fighter aircraft. The defeat calculated by the scenario also showed the loss of the F-35's supporting airborne-early warning and air-to-air refueling aircraft.

76,0 0!&(, #+!*#') J@= J@H< GHF<K;JFE DF<=(F> J@= 0!&(3?@JE=E? 22 ;FDG=J=< AJI AE:K?KH:(>?@J FE 4:N)J@ %#$$ >HFD 5,6 0FHJ 9FHJ@ MJ@ 3F;B@==< 4:HJE J=IJ GFJ -K(1?FJA :J J@= ;FEJHF(!"

The technology in the SU-35 will also see its way into growth upgrades of other SU-fighter variants used by countries like Indonesia, India, Malaysia and Vietnam. Chinese variants of these aircraft should also see similar growth capability in the coming years.

The Russian-made T-50, PAK-FA low-observable fighter now in development is expected to be much more lethal than the SU-35 in air-to-air combat against the U.S. made F-35. The SU-35 and T-50 made

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ALI 5#(* HIJIEX FVIIJIIRK VYRW GSYRXIV XS XLI GPEIIQW F] XLI :SGOLIIH ; EVXIIR GSVTSVEXIISR XLEX XLI 5#(* [IPP FI E KS#IIX#EPSRI EIIVGVEJX IIR LIIKL XLVIEX WIIXYEXIISRW FVIIJ XS 8WVE IP" '%%,! SV XLEX IIX [IPP FI _- XIIQIW` QSVI IJJIGXIIZI XLER _PIKEG]` EIIVGVEJX IIR EIIV#XS#EIIV GSQFEX$

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		4ITEVXQIRX SJ <EXMSREP 4JIRGI Program-based Analysis	Cost		>EVPMEQIRXEV] 2YHKIX =JJMGIV Estimates
:18<B5<1<35	=TIVEXMRK ERH AYTTSVX -!	Estimates derived from the Department of National Defence detailed for (&]IEW SJIRWIVZMGI WYTTSVX to include: • F-35 sustained as a global fleet of 3000+ aircraft with unprecedented economies of scale including shared non-recurring costs • Annual sustainment costs of $250-$300M per year which is equivalent to other modern fighter aircraft • 20 years for in-service support, logistic support, software reprogramming	+$-2 314	'*&2 CA4	Based on an annual cost (JSV)&]IEW) of 6.4% of the Parliamentary Budget Officer's cost estimate for acquisition of $9.7B USD • The PBO states However, the 6.4% is based on unspecified data and an unknown cost estimating relationship model.
	=ZIVLEY? ERH CTKVEHI .!	F-35 approach to upgrades and follow-on development: • Software upgrade every two years and hardware upgrade every four years • Upgrades undertaken collectively and applied to global fleet with non-recurring engineering costs shared amongst F-35 operators achieving economies of scale when sourcing/contracting equipment	& **already included in acquisition costs at (1) and Operating & Support (7)	)$/2 CA4	PBO using traditional approach to upgrades and follow-on development: • two major overhaul and upgrades (10 and 20 years following delivery) • Undertaken by nations individually, thus each nation pays 100% of non-recurring engineering costs and sources/contracts equipment individually Based on $30.4M (+/- $5M) per aircraft X 65 aircraft X 2 upgrades

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The objective of the Next Generation Fighter Capability project is to acquire 65 next generation fighters to replace the CF-18 fleet on its retirement so as to maintain a manned fighter capability necessary for the defence of Canada and North America, and for Canadian Forces collective expeditionary operations.

This project will:

- The Department of National Defence will acquire 65 operational aircraft in accordance with the Defence Strategy, fulfilling a commitment to defend the sovereignty of Canadian airspace, remain a strong and reliable partner in the defence of North America through NORAD, and provide Canada with an effective and modern air capability for international operations;
- The Department of National Defence will secure sufficient spares and support equipment, and will participate in the Logistics and Global Sustainment Support concept;
- The project will provide initial on-aircraft training for aircrew and maintenance personnel in order to ensure a smooth transition to the new equipment;
- The project will secure access to all documentation, technical data and licenses required for operations and maintenance;
- The project will support infrastructure enhancements directly attributable to the new fleet, such as upgrades to hangars, maintenance shops and supply stores. Most enhancements will be related to the security nature of the project;
- The project will acquire on-ground aircrew and maintenance training systems to support training requirements for the life of the aircraft; and
- Where possible the project will use existing inventory to support assigned missions. To ensure that the Canadian Forces maintains a capability for high precision target standoff engagement with minimized collateral damage, the Canadian Forces will purchase additional weapons for the fleet, including advanced, network enabled precision weapons.

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Annex 1 – Extracts from 2006 PSFD MOu

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Annex 2 – Extracts from 2002 SDD MOu

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Annex 3 – uS Cost Definitions

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Annex 4 – uK and the JSF

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Annex 9 – briefing Note – September 2006

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Annex 10 – "uK, Canada Keep JSF Options Open"

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Annex 16 – "F-35 Production Costs Still unacceptable, Pentagon Offcials Say"

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