



National Defence

Défense nationale

Deputy Minister

Sous-ministre

National Defence Headquarters
Ottawa, Canada
K1A 0K2

Quartier général de la Défense nationale
Ottawa, Canada
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MAR 03 2011

Kevin
Mr. Kevin Page
Parliamentary Budget Officer
Ottawa, Ontario K1A 0A9

Dear Mr. Page:

Please find enclosed a response to your questions in regards to F-35, providing more information on the project schedule and costs. We have provided per unit costs and methodology with respect to the \$9 billion acquisition cost, as well as with respect to the \$250-300 million annual sustainment costs.

As requested, we have also included the projected delivery schedule for the aircraft, the exchange rate forecasts used for the purpose of budgeting and an assessment of the impact this would have on price, the estimated production volume at the time of Canada's first and last purchase, confirmation that all 65 aircraft will be in active fleet, replacement and attrition forecasts and associated costs, and the inflation rate or index that is used to deflate costs.

Should you require, departmental officials would be pleased to provide a brief.

Sincerely,

Robert Fonberg
Robert Fonberg

Enclosures

Canada