

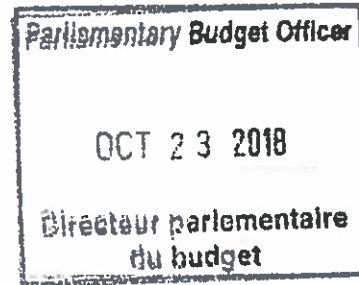


National Defence
Deputy Minister
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Quartier général de la Défense nationale
Ottawa, (Ontario)
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OCT 16 2018

Mr. Yves Giroux
Parliamentary Budget Officer
Library of Parliament
Ottawa ON K1A 0A9



Dear Mr. Giroux:

I am writing in response to your 18 September 2018 information request (IR0385) regarding the Interim Fighter Capability Project (IFCP) and Canada's existing fighter fleet. Your office's flexibility with meeting timelines associated with this request is appreciated, as was the availability of your staff to meet with National Defence officials to discuss your information needs in greater detail.

The response below and the enclosed tables provide information in response to your request, as well as identify important considerations regarding available information.

Interim Fighter Capability Project

- To help sustain Canada's CF-18 fighter fleet until a permanent replacement is fully operational, Canada is acquiring 18 fighter aircraft for operational use from the Government of Australia, as well as up to seven aircraft for spare parts.
- Australian fighter aircraft have a similar configuration to Canada's CF-18s and will require few changes to meet the needs of the women and men of the Royal Canadian Air Force to carry out their missions, including Canada's NORAD and NATO commitments. Necessary modifications will be conducted to bring the Australian F-18s to the common Canadian configuration so these aircraft integrate seamlessly with the current CF-18 fleet. This will include items such as an upgraded ejection seat, external aircraft lighting compatible with night vision goggles and software changes. These modifications have already been applied to the CF-18 fleet.
- The enclosed tables provide information regarding the acquisition of the Australian fighter aircraft and the modifications to be made to integrate these aircraft into our current CF-18 fleet.
 - Ground Rules and Assumptions for the IFCP
 - Table 1 – Development and Acquisition Cost for the IFCP
 - Table 2 – Operating and Sustainment Cost for the IFCP
 - Table 3 – Risk and Sensitivity Analysis

Canada 

- The Ground Rules and Assumptions, as well as tables 1 and 2 were provided to your office in February 2018 in response to a previous request on the lifecycle costing of the Australian F-18s (IR0310) from your predecessor. They have been updated in line with the latest project developments.
- As noted in National Defence's previous submission, the enclosed information includes data provided in confidence to Canada by the Government of Australia. Due to the sensitivity of this information, we respectfully request that you do not release the enclosed documents and data publicly.
- Please also note that the enclosed documents relate to the acquisition of the Australian F-18s and their integration into the current fleet. Once integrated, they will be managed for the remainder of their lifecycle as part and parcel of this fleet. For your information, National Defence is currently seeking approval on a number of upgrades to continue flying the entire CF-18 fleet until 2032. Analysis regarding these upgrades will be completed by spring 2019.

Historical Data on the Existing Fighter Fleet

- In response to your previous request, my officials have worked with your staff to discuss the operation and maintenance of the CF-18 fleet and to provide available baseline data used for National Defence's own internal costing, such as data contained in the department's Economic Model and the Cost Factors Manual.
- National Defence is working diligently to determine what additional detailed historical data on the operation and maintenance of the existing CF-18 fleet is readily available. This type of data is tracked through various systems to support the work of aircraft technicians, logisticians and commanders. This data is not tracked centrally, nor is it available for the timespan requested. My officials will continue to engage with your staff to discuss how National Defence can meet your information needs and a supplementary response will be provided to your office as soon as possible.

At your convenience, departmental officials will be available to brief you or your officials on the underlying methodologies and analysis that have gone into the documents provided. They will remain available to discuss changes to this information as the final details of acquisition are confirmed.

Please also find enclosed for your reference the Signed Reply Form.

I look forward to our continued collaboration.

Sincerely,



Jody Thomas

Enclosures: 5