

The.Firm

From: The.Firm [the.firm@internode.on.net]
Sent: Wednesday, 10 January 2007 10:11 AM
To: LtGen David Hurley CCDG <david.hurley@defence.gov.au>
Cc: Crosland, Glenn MAJ
Subject: PROJECT ARCHANGEL DOES NOT SERVE THE NATIONAL INTEREST



Dear David,

Firstly, let me wish you and all in the CAPDEV Team a Happy New Year and all of that.

Well, what we at Air Power Australia have been predicting for some years, through standard risk analysis of Project Archangel, is finally happening, if one can believe the Ministerial Media Releases before Christmas.

Clearly, Defence Minister Brendan Nelson has been convinced by his Ministerial Advisers et al (including Boeing St Louis and the US Navy) to go for an 'interim fighter' in the form of the Super Hornet, the F/A-18F; ostensibly the two seat trainer version for the United States Navy. This has now further complicated an already overly complex New Air Combat Capability Project, no end; with the Department of Defence -

1. Continuing the high risk upgrade to extend the life of the RAAF's current, at end of life F/A-18 Hornet Classics (the HUG Program) at a cost in excess of A\$2.7 billion in FY2006 dollars;
2. Continuing to pursue acquisition of the JSF Lightning II with its incumbent risks of delays in development and eventual production, rising costs, and reducing capabilities due to CAIV (cost as an independent variable) at an estimated cost of around A\$15 billion in FY2006 dollars which would end up with an air combat capability over which Australia would have little, if any, sovereign control;
3. Continuing to rely upon the now high risk AEW&C, aerial refuelling tanker and a number of other weapon acquisition projects to be completed on time to ensure there is no 'air combat capability gap' - an extremely complicated solution, overall, with a number of single points of failure built in the force structure; and
4. Now seeking an 'interim capability' in the form of the two seat Super Hornet at a cost in excess of A\$2.5 billion in FY2006 dollars with a high probability that this 'interim solution' will end up being the final. Such an outcome would result in Australia not having air superiority in the region for the first time since WWII.

The simplest, most cost effective and far more capable, low risk solution would be to adopt what Industry proposed back in 2001 -

- a. Retain and evolve the F-111s through technology insertion upgrades (at an estimated cost of somewhat less than A\$2.7 billion in FY2009 dollars, including the purchase of additional airframes from the US); and,
- b. Simply buy/lease-buy F-22 Raptors to replace the soon to be 'at end of life' F/A-18 Hornets, now and before 2010, and thus terminating the high cost/high risk HUG Program. Estimated cost for procuring 50 x Raptors plus 5 attrition aircraft downstream would be less than A\$10 billion in FY2010 dollars (using a risk hedged exchange rate of 0.7200).

Note: Naturally, as advocates of same, we strongly support continuing with the tanker, AEW&C, and weapons projects though we do see opportunities where these could be enhanced through the application of risk reduction techniques and associated strategies. However, the Industry Solution for the NACC means that Australia does not have to rely upon all of these projects coming in on schedule to ensure there is no capability gap. Moreover, the Industry solution will provide Australia, for the first time, with a true air dominance capability in the region - 'air dominance' being the next level up from 'air supremacy' which is one level up from 'air superiority' in the air power game.

Also, the different FY dollars denoted above which, when base lined to the same pedigree of dollars, show an even larger disparity between the overall cost of the Industry solution versus that being planned by Defence. The Industry solution is far more cost effective (both capital and life cycle costs), far less risky and results in a far more capable force. The Industry solution will also provide far more work for the Australian Defence Industry, particularly the aerospace sector, in the areas where the Industry has demonstrated it can excel and can generate export earnings.

For further data, information and comment on all of this, see -

'Flying into trouble' ,

<<http://www.theage.com.au/news/opinion/flying-into-trouble/2006/12/29/1166895477918.html>> 30th December, 2006 The Age

APAA Volume III - APA-2006-03 Carlo Kopp - Reflections on 2006

<<http://www.ausairpower.net/APA-2006-03.html>>

Regarding the loss of competencies on the F-111 at the senior levels in Defence eg. Chief of Air Force statement that they "don't know what they don't know" about the F-111s, see:

*Air Power Australia (PDF 2148KB) Submission No 29 to JSCFADT inquiry

<<http://www.aph.gov.au/house/committee/jfadt/adfair/subs/sub29.pdf>> Sub 29*

As for what is happening in the Region, you should find the data and information provided via the following links of some interest and, hopefully, assistance -

<http://www.ausairpower.net/APA-Flanker.html>

<http://www.ausairpower.net/APA-Flanker-Imagery.html>

<http://www.ausairpower.net/APA-Fullback.html>

In regard to the precision guided munitions proliferating in the region, take a look at -

<http://www.ausairpower.net/APA-Regional-PGM.html>

If we can be of further assistance with this, please don't hesitate to call Dr Carlo Kopp or myself or, if you wish to talk with others who are as alarmed as we are about this latest direction, I would be happy to arrange this for you.

Very Best Regards,

10 January 2007

Peter Goon BE (MechEng)USNTPS (FTE)
Defence Analyst and Consulting Flight Test Engineer
Co-Founder: Air Power Australia @ <http://www.ausairpower.net/>
Email: The.Firm@internode.on.net
Ph: +61 8 8283 2389
Fax: +61 8 8283 2377
Cell: +61 41 980 6476
A/Hrs: +61 8 8362 1585

"Air Power Australia - Defining the Future"

PRIVACY, CONFIDENTIALITY, DISCLAIMER AND COPYRIGHT NOTICE (c) January 2007

This communication is copyright and intended for the named recipient/s only. Being an addressee on this Email does not imply and should not be inferred, in any way, as meaning the addressee endorses or agrees with its contents. The contents of this document, including any attachments, should not be copied, distributed, or disclosed to any third party person or organisation without written [permission](#). If received in error or incorrectly onforwarded to you, kindly notify the sender by reply E-mail and permanently delete this message and its attachments.



E-Letter_LtGen
urley_Project-A.