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Choice of Canada's new fighter aircraft narrowed to two

Two fighter planes made in the United States are the remaining contenders receiving final consideration as replacements for the Canadian Forces CF-104, the CF-101 and the CF-5 to meet Canada's needs to the end of the century (see Canada Weekly dated October 12, 1977, Page 3).

Severe restraints — "the number of aircraft required and the set amount of money to buy them" — had influenced the Cabinet's decision to narrow the choice of planes to General Dynamics' CF-16 and McDonnell Douglas' CF-18A, said Defence Minister Barney Danson in an announcement to the House of Commons on November 23.

Mr. Danson detailed reasons for the decision as follows:

* * * *

...The Government...has now informed four of the competing manufacturers that their aircraft are no longer in the competition. These are: Grumman with the *F-14 Tomcat*; McDonnell-Douglas with the *F-15 Eagle*; Panavia with the *Tornado*, and Northrop with the *CF-18L Cobra*.

The finalists will be the General Dynamics' *CF-16* and the McDonnell-Douglas/Northrop *CF-18A*, which are the Canadian versions of these aircraft. The Government has also decided against further consideration of a mixed fleet of fighters. The Governments of the Federal Republic of Germany, Great Britain, Italy and United States, which all have been following this selection process with keen interest, are also being informed of this development.

Direction has now been given to the interdepartmental program office to initiate discussions leading to the negotiation of draft contracts with the two prime manufacturers remaining in competition. In addition to the very important questions of aircraft capability, fleet size, delivery schedule, and optimum phasing of payments, emphasis will be placed on negotiating the best mix of industrial benefits for Canada. In these negotiations particular attention will be paid to arrangements that could contribute to the growth of research and development activity in Canada, as well as high technology industry which complements our geography and resources. Emphasis also will be given to ensuring that all regions of the country

will have full opportunity to participate in this program.

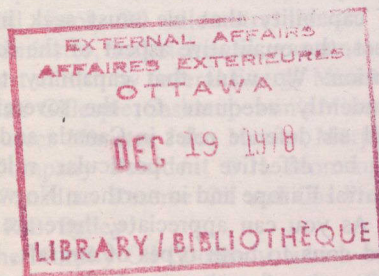
Months before final decision

I expect that it will be several months before I am in a position to present a comparative analysis of draft contracts to Cabinet for final selection of a new fighter aircraft. I am sure that those of you who have followed the evolution of the program since its start, in March 1977, have come to realize the magnitude of the task facing the Government in this selection process. At the end of June, as you will recall, the Government decided to allow additional time to permit manufacturers to refine their initial proposals. I am pleased to report that by the new deadline of August 1 all had responded with offers that contained substantial improvements over their earlier proposals.

Requirements

Our numerical requirement of between 130 and 150 aircraft is critical to our capability to meet our domestic and European commitments. We are indeed disappointed that procurement of sufficient numbers of *F-14s*, *F-15s* or *Tornados* could not be accommodated within our set budget of \$2.34 billion in August 1977 dollars.

Our evaluation also revealed that acquisition of a mixed fleet would bring little or no benefit in terms of fleet size and that operation of such a fleet would bring substantial liabilities, including double training and logistics support sys-



Thirty-four years ago Saturday...

Lester B. Pearson was appointed Canadian Ambassador to the United States.

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