

15 Billion Spending Spree: Harper Taking Your Credit Card to Arms Fair

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CBC News - For military buffs, all next week should be like Saturday morning at Canadian Tire. That's because, with Parliament having risen, Prime Minister Stephen Harper is set to announce the Conservatives' much-trumpeted plan to buy new transport aircraft, helicopters, ships and trucks for the Armed Forces.

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INDEPTH: CANADA'S MILITARY

There could also be some sort of deal with Washington to take possession of new or newish U.S. military Chinooks while both countries wait for the updated version to come off the assembly lines.

In all, the purchase is expected to total roughly \$15 billion, to be spread out over several years. And according to the CBC's French-language service Radio-Canada, Harper will unveil the plans in a series of announcements from Quebec to central Ontario to Alberta in a bid to underline the local benefits from such a massive procurement.

According to news reports and what the military has said to date about its requirements, the purchases are expected to fall into five categories:

Up to four heavy-lift long-range transport planes to move troops, tanks and entire hospital units halfway around the globe in one shot. Estimated cost: \$3 billion.

Up to 17 heavy-lift, mid-range transport planes to replace Canada's aging fleet of Hercules aircraft. Estimated cost: \$4.6 billion

A fleet of between 12 and 15 heavy-lift helicopters to move troops and supplies quickly around war zones. Estimated cost: \$4.2 billion.

Three new troop carrier ships. Estimated cost: \$2 billion.

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Up to 1,000 new trucks for the army, likely to be built in Quebec. Estimated cost: \$1.1 billion.

Of the five, the three involving planes and helicopters have so far created the most controversy.

Long-range transport planes:

Boeing Globemasters can transport entire strike teams or up to 144 soldiers with full equipment for 4,400 kilometres without refuelling then offload its entire cargo in minutes. (Mike Buytas/U.S. Air Force) This purchase is the pet project of Defence Minister Gordon O'Connor, a former brigadier-general and former defence industry lobbyist. Because of that, and because of the way this contract is expected to be structured in such a way that it can only be awarded to Boeing's giant Globemaster aircraft this is the one element of the deal expected to kick up the most immediate fuss.

More than three years ago, before he became a Conservative MP, O'Connor was a defence industry lobbyist, acting for Airbus at one point. He is reportedly particularly enamoured of the Globemaster, a massive hulk that can transport entire strike teams or up to 144 soldiers with full equipment for 4,400 kilometres without refuelling, then offload its entire cargo in minutes.

Boeing's main competition, Europe's EADS/Airbus consortium, says it can supply the same number of planes with similar capabilities for \$2 billion, which is considerably less than the Globemaster price. It has a drawback, though. The Airbus version is still on the drawing board and won't be in the air until 2008 at the earliest, with delivery not expected for some years after that.

Other options: A company called Skylink Aviation, which charters large aircraft for the commercial carriers and the Canadian military, says it can provide two Russian-built long-range carriers, which the Armed Forces have used in the past. According to the Skylink proposal, which was obtained by the Ottawa Citizen, Skylink has offered to lease two each of the smaller IL-76 Ilyushin and the somewhat bigger Antonov An-124 and base them at Canadian Forces Base Trenton in Ontario for the exclusive use of the Canadian military. Lease costs would be in the range of \$46 million a year.

The Antonov is a well-known Clydesdale of the sky. The Canadian-American Strategic Review,

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a think-tank that analyzes Canadian foreign and defence policies, says the Antonov can carry a bigger load than the Globemaster, has twice the maximum cargo volume and can fly 1,500 kilometres further when fully loaded.

The Globemaster, CASR's reviewer admits, is more fun to fly and can be seen as heavy aviation's 'equivalent of the Lamborghini.'

Mid-range planes:

Of the 31 Hercules still in the air, 22 are at least 30 years old. (Jonathan Hayward/Canadian Press) Called strategic and tactical aircraft, the main competitors in this category are Lockheed Martin's revamped C130J Hercules and the Airbus A400M, which is not expected to come into service before 2010.

The C103J Hercules is the new and upgraded version of the aging carrier that has served Canada's Armed Forces well over the years and also seems to be the plane of choice for the U.S. and British air forces, at least as an 'in theatre' carrier. The Brits are also upgrading and have offered to sell Canada some of their older and so-called shorter versions, which can carry heavier loads than other Hercs.

But with the public still smarting from the fiasco involving refurbished British subs ? which Canada's military bought for \$891 million in 1998, only to face serious electrical problems, rust and general deterioration ? it is hard to see the Harper government wanting to risk its reputation on more used goods.

Canada currently has a squadron of 31 Hercs but 22 of these are more than 30 years old and nearing the end of their useful life. The new Hercules is said to be more fuel-efficient, with six propellers, up from four in the older models. Thanks to its improved electronics, it can also be piloted by a smaller crew. Its claim to fame is that it works well in battle situations ? it can get in and out of difficult terrain while still carrying a pretty heavy load.

The Airbus A400M is to be Europe's answer to the Hercules but design and construction delays

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have hurt its order sheet and some analysts question whether it can deliver what it has promised. Its posted price of roughly \$90 million US is higher than that of the Hercules, which has been listed in the range of \$60 million US. But it is a bigger plane than the C103J, boasts more sophisticated engines and other avionics, and is suggested to be the next-generation plane for NATO in Europe.

A late entry into the competition is the Russian Ilyushin IL-76 Airlifter, a modernized Soviet-era freighter that is much in use today in Afghanistan, particularly by Canadian troops. The Russian planes have been listed for about \$50 million US each and suppliers have reportedly told Canada they can deliver the planes directly to Kandahar within the next year. It has a carrying capacity of about 40 tonnes and a range of 5,000 kilometres when fully loaded.

Heavy-lift helicopters:

This is another controversial purchase if only because it is the main focus of Gen. Rick Hillier, the chief of defence. He wants many more of these aircraft ? which are used as the taxis of the war zone to shuttle about soldiers and supplies ? and fewer, if any, of the long-range transport.

Its two large counter-spinning rotors enable the Chinook to fly in hot, dry climates like Afghanistan's and let it hover with only its two back wheels touching down, for quick unloading. (Musadeq Sadeq/Associated Press)Canada, for the most part, has had to beg, borrow and lease Boeing-built Chinooks from the Americans in Afghanistan to resupply its forward bases ? or else risk truck convoys that are often targeted by roadside bombers. The military now wants its own dedicated fleet.

The battlefield bird of choice for Hillier (and the U.S. military), the Chinook can carry up to 44 fully equipped soldiers, land in tight places and hurl cargo from one of three distinct holds. Its main claim to fame, however, is its two large counter-spinning rotors. They enable the Chinook to continue to fly in hot, dry climates like Afghanistan's (where birds with small back rotors have difficulty, for some reason) and let it hover with only its two back wheels touching down, for quick unloading.

The main problems with the Chinook at this point are its relatively high cost and its fairly high demand all over the globe. Canada would have to take a number.

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Options for the military, according to CASR, have included repainting and re-equipping Canada's new search-and-rescue helicopters, the Cormorant. They might be able to carry up to 30 soldiers but Canada would then need new search-and-rescue copters.

There could also be some sort of deal with Washington to take possession of new or newish U.S. military Chinooks while both countries wait for the updated version to come off the assembly lines.

Another proposal on the table is the Russian-built Mi-17 from MIL. It is smaller than both the Cormorant and the Chinook, with about a quarter of the carrying capacity of the Chinook, and can probably transport only about 24 or so soldiers (estimates vary).

But at a listed price of about \$5 million US a bird, it costs a fraction of the Chinook and has proven itself under fire. Mi-17s moved Canadian soldiers about in the Balkans during the NATO deployment there in the early and mid-1990s. The helicopter is also much in evidence now in Afghanistan, and Canadian Forces and technical personnel are said to be very familiar with its abilities.