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16 AUG 2005

Mr P Goon Australian Flight Test Services Hangar 51 Anderson Drive PARAFIELD AIRPORT SA 5106

Dear Mr Goon

Thank you for your recent emails concerning Australia's air combat capability. The Treasurer has asked me to respond to you.

A final Government decision on whether to acquire the Joint Strike Fighter is not expected until around 2008, and will involve very detailed and rigorous analysis. In the context of reaching this decision, the Government will consider a number of issues such as the aircraft's capability, its up-front and through-life support costs, and risk mitigation strategies in the event of delayed delivery.

In the meantime, as part of the New Air Combat Capability Project, the Department of Defence is monitoring developments regarding other platforms. I understand that if analysis indicates that the Joint Strike Fighter would not provide the required capability, the current schedule allows sufficient time to choose and acquire an alternative platform, and alternative aircraft options would be mature in the 2012 timeframe.

While the Treasurer will continue to monitor the fiscal impact of defence capability proposals, the issues you have raised are detailed in nature and fall within the responsibility of the Minister for Defence, Senator the Hon Robert Hill. Accordingly, I would ask that you direct any further correspondence on this issue to the Minister for Defence.

Thank you for bringing your views to the Treasurer's attention.

Yours sincerely

Philip Gaetjens Chief of Staff