



CAF MESSAGE

REFORMATION OF NUMBER 35 SQUADRON

I am pleased to advise that I have approved the reformation of Number 35 Squadron from 1 January 2013, to prepare for the arrival of the C-27J Spartan battlefield airlifter in 2015.

Under the command of Wing Commander Brad Clarke, 35 Squadron will have an initial posting of 25 personnel at RAAF Base Richmond. From July 2013 to January 2016, another four posting tranches, at six monthly intervals, are planned to enable the full establishment of 35 Squadron in January 2016.

35 Squadron has a long and distinguished history. Formed at RAAF Base Pearce in March 1942, No 35 Squadron was equipped with light transport aircraft, including Avro Ansons, De Havilland Dragon Rapides, and a Northrop Delta. After World War Two, 35 Squadron returned Australian Prisoners of War before being disbanded at RAAF Base Townsville in June 1946.

In July 1964, the RAAF Transport Flight in Vietnam was formed and was renamed 35 Squadron in 1966. After Vietnam, the Squadron moved to Townsville, where Iroquois helicopters joined the Squadron's Caribous. With this mixed fleet of aircraft, No 35 Squadron undertook army tactical support tasks and civil aid operations, including search and rescue, medical evacuations and flood relief work. In 2000, 35 Squadron was disestablished.

Nicknamed 'Wallaby Airlines', 35 Squadron has a proud history of operational and humanitarian service. I'm looking forward to seeing the Wallaby Airlines tail-flash flying again in Australian skies on the C-27J.

G.C. BROWN
Air Marshal
Chief of Air Force

27 Sep 2012

John Sambrooks

From: Stephen Bailey <stephen.bailey3@hotmail.com>
Sent: Monday, 12 November 2012 12:41 PM
To: johnsambrooks@optusnet.com.au; stephen bailey
Subject: 35SQN WOFF Beetle Bailey

Dear John

It was really good discussing RTFV and 35SQN this morning. Food for thought
I have been on the web site and it is very impressive, some really good info, history and photos ect.
Do you have for sale any of the crock pot, glasses or other stuff ???
Also, I'm chasing the 35SQN Commanding Officers board, or battle honours board.
If you could reach out to the association your contacts at Amberley it would be appreciated.

My strong belief with the re-birthing of 35SQN is to promoted the acknowledgment of previous aircraft
flown and Squadron members efforts and accomplishments.
Hope to see you on the 14Dec.

Warmest Regards

Beetle Bailey
Executive Warrant Officer Loadmaster
35SQN

Hm 02 47301491
Mob 0421213489

The C27.

At last, the decision has been made. They have finally found a replacement for the old Caribou and although it won't belch smoke and emit loud bangs on start-up or leak oil all over the place, most say the C27 is a worthy contender to take on the 'gravel truck role' for the RAAF.

Recently the Australian Aviation magazine had the following articles on the aircraft:



Despite predictions that the AIR 8000 Phase 2 Battlefield Airlifter (BFA) requirement to replace the Caribou might fall victim to the federal government's plans to realise a budget surplus at any post in 2012-13, the project seems to have navigated the budget minefield relatively unscathed and is now moving forward. In the lead-up to the federal budget the ADF forged ahead with the project throughout 2011 and a December 2011 US Defence Cooperation Security Agency notification declared that a possible Foreign Military Sale (FMS) of the C-27J to Australia was being considered by Congress. But many observers saw the BFA project as low-hanging fruit ripe for the budget pickers, especially as the ADF already had gone without the capability offered by the Caribou for more than two years since its retirement in late 2009. Indeed, many would argue that, without modern electronic warfare self-protection, digital communications and with its orphan fuel radial engines, the Caribou had been tactically irrelevant in all but the most benign combat environments close to home for much longer than that.

SURVIVOR.

But survive the BFA program did, and on May 10, only 36 hours after a federal budget in which several key Defence projects took a big hit, Defence Minister Stephen Smith announced to the Airpower Conference in Canberra that the C-27J had been selected. This after more than 30 years of searching for a Caribou replacement, a process initially kicked off in the late 1970s, and covered by founding publisher Jim Thorn in our inaugural issue in 1977 — through a series

of studies that matured into Project AIR 5190, cancelled at the 11th hour in 1999 before being reinvented as AIR 8000 Phase 2 in 2001.

The C-27J decision also coincided with the announcement that the RAAF's eight remaining C-130H Hercules would be retired early as part of Defence's contribution to the government's plan to return to surplus. Industry insiders commented that the H-model, in service since 1978 and which previously had been set to remain in service until 2016, had been traded 'off for the arguably more capable and flexible C-27J.

A May 10 ministerial statement read: "The C-27J was assessed by Defence as the aircraft that best met all the essential capability requirements and provides the best value for money. It was assessed as being able to fly further, faster, higher while carrying more cargo and requiring a smaller runway than the other aircraft under consideration, the Airbus Military C295.

"A subsequent US Department of Defence contract announcement showed that the 10 aircraft, modification work by L-3 and initial logistics and software support is valued at US\$321.7 million, about a quarter of the total \$1.4 billion project cost. The balance is expected to be taken up by facilities costs, ground support equipment, training systems including a full flight simulator, initial spares holdings, training of RAAF and industry crews and technicians and technical and training publications.

The minister's statement added: "Initial logistic support, including training for aircrew and maintenance personnel will be provided through the FMS program, utilising the system that has been established in the US. Defence will seek a separate agreement with the C-27J manufacturer Alenia to ensure that RAAF can operate, maintain and modify the aircraft throughout its planned life.

"And barely three weeks after the selection of the C-27J, Defence followed up by announcing it had awarded a contract to original equipment manufacturer (OEM) Alenia Aermacchi to "allow for" the long-term operation, maintenance, modification and upgrade of the aircraft and its support systems. In a joint June 3 statement, Minister Stephen Smith and Defence Materiel Minister Jason Clare said: "The contract, which is worth around \$63 million, will also provide Defence with the ability to compete and coincided neatly with the global



financial crisis and the requirement was pared back to 78 JCAs to be operated solely by the National Guard.

This number was reduced again to only 38 when the USAF decided it could, after all, fulfil a number of the JCA's missions using C-130s. At this time, Boeing dropped out of the teaming ostensibly because it was no longer economical to establish a manufacturing line for such a small number of airframes in the US, so Alenia and L-3 went it alone. Consequently, 'green' airframes would be built at Alenia's line in Italy, after which they would then be flown to L-3's Waco, Texas factory for the systems fit.

The latest story of the JCA is that the entire program now seems to have fallen victim to the US's deepening budget crisis with the Pentagon offering up all 21 aircraft in service or in production as part of its efforts to find more than US\$400 billion in savings over the next decade. However, there still appears to be much to play out with both the Senate and House Armed Services Committees questioning the move and the operators, the Ohio National Guard, openly questioning the operating costs of the aircraft that have been quoted by the Pentagon.

MUCH MORE THAN A CARIBOU REPLACEMENT.

Despite the inherent affection in which it was held by its operators and airshow attendees alike, apart from its invaluable natural disaster assistance work at home and in the wider region, the Caribou has been of little tactical relevance for more than a decade. So despite being sold as a Caribou replacement, the C-27J will in fact be so much more, adding new capabilities to the ADF's order of battle not previously deliverable by the Caribou or the bigger C-130.



At the lower end of the scale, the C-27J's much longer range, faster speed, greater load capacity and inherent flexibility makes it an ideal Caribou replacement. Despite not being able to replicate the Caribou's extreme STOL capabilities, which could see it land in little more than 100m on very rough or boggy strips, many would argue there are no other aircraft now on offer in this class that can fulfil this otherwise very narrow requirement anyway. It's in the tactical airlift role where we can expect to see the C-27J figure more significant, ably complementing the bigger C-130Js, which have taken on more of this role in recent years with the arrival of the much larger and longer-range C-17s and newer KC-30 Multi—Role Tanker Transports (MRTT).

In fact, the C27J is almost an ideal replacement for the C-130H, the remaining eight of which will be retired up to four years early after being binned in the latest Budget. It has been proven in operations that C-130s rarely fly operationally at full capacity, either by weight or volume, especially in the Middle East Area of Operations (MEAO). So it's more economical to operate the twin-engine C-27J than the larger C-130 on many of these missions, providing greater flexibility in the number of forward airstrips than can be serviced by the fixed wing aircraft.

WHAT ABOUT ME?

As AA reported last issue, the long-awaited C-27J announcement was slightly tempered by Defence having to justify its decision in the face of intense public criticism from Airbus Military,

which had been pitching the rival C295 for the BFA requirement. . Following the May 10 announcement, Airbus Military issued an unusually harsh response to the decision, saying: "Airbus Military is obliged to place on the public record our disappointment because there was no tender process and certainly no competition. "We certainly do not begrudge the ADF making decisions about preferred capability and platforms following careful consideration of tender-quality and commercial binding information. But on this occasion, selection of the C-27J for \$1.4 billion seems to have been based largely on the RAAF's own desktop assessments."



A week later, while addressing journalists gathered for the company's annual technical briefings in Toulouse, CEO of Airbus Military Domingo Ureña called for transparency over the decision and for the right to compete: "Give us the right to demonstrate completely in a transparent way what we are capable of doing and how much value we add for taxpayers, he urged. He claimed the C27J program cost of \$1.4 billion was almost double that of a similar acquisition of the C295: "We are fighting to give us this opportunity [for a competition] and if we have that opportunity I think we will demonstrate like in many countries that we have much more value than the C-27J.

"And although Mr Ureña conceded there were some capabilities the C295 lacked compared with the C-27J, he posed: "What is the value of those requirements versus the total capability that you are looking for?"

But for all Airbus's efforts to the contrary, and support for a competitive process for the BFA from the federal Opposition, the RAAF is undoubtedly pleased with the C-27j's selection and the capabilities it will bring.

Has, finally, the Caribou replacement saga come to a close?

Defence Update

by Kristian Hollins

Spartan selection scrutiny

The Australian National Audit Office has confirmed it will audit the decision behind the Department of Defence's acquisition of the Alenia G27J Spartan through the US Foreign Military Sales program. The platform was announced by Minister Stephen Smith as the replacement for the retired Caribou under the AIR 8000 Phase 2. The inquiry comes after Shadow Minister for Defence Senator David Johnston expressed concerns to the ANAO over the lack of an open and transparent selection process and adequate competition to satisfy Australia's defence tender regulations.



In reply, Auditor-General Ian McPhee said it was appropriate for the ANAO to undertake a performance audit to inform the Parliament of such a significant acquisition. 'The scope of the audit would address the "adequacy of Defence's processes... to establish that the acquisition of the C-27J under the FMS arrangement represented the best value for money option to provide the capability required ..." Senator Johnston said: "When the Defence Minister announced this purchase he claimed that a competitive and comprehensive analysis was completed before the decision was made. But he has never released that analysis and I am very sceptical..." The topic was brought up in June at Senate Estimates where Senator Johnston asked members of Defence's Senior Leadership Group including Chief of Air Force Air Marshal Geoff Brown, CEO of DMO Warren King and deputy CEO of the DMO Harry Dunstall - about the competition and selection of the C-27J



At the time, Mr King said no open tender competition was necessary as the tender was a direct source purchase via the FMS program. Mr Dunstall told the committee the defence exemptions of the Commonwealth Procurement Guidelines, "allow the chief executive of an agency to take a measure for, among other things, essential security reasons".

Pushed by Senator Johnston to sketch out Defence's national security justification, Mr Dunstall said exemptions within the CPG, the Financial Management and Accountability Act and the Defence Procurement Policy Manual meant all mandatory probity requirements had been complied with.

"In developing the acquisition strategy, the first step is: "is this a covered procurement? Answer: because it is subject to one of the defence exemptions it is not bound by division 2 of the CPGs, which are the mandatory procurement procedures, which means we are not bound to conduct an open tender process but are able to undertake a different form of process," Mr. Dunstall said.

An open tender process is not the only way of running a competitive process. The CPGs are categorised technically into three categories: open tender select tender, which is a very, very small kind of category of procurement, which is if you down-select from an EOI [expression of interest] or, I think, if you have procured off a multi-use list and there is one other; and everything else is called direct source.

"Direct source does not mean sole source. Direct source means an approach to one or more potential suppliers, which is in fact the way Defence undertakes most of its major Capital acquisitions, because there is not an open market for what we procure.

"The statements by Defence officials we're at odds with comments by the Minister, who said at the time of the announcement: "There was a competition between the C295 Airbus Military aircraft and the C-27 and we down-selected the C-27."

In response to media enquiries, Defence Media Operations said: "A competitive down-select to the C27J was made following an exhaustive assessment by Defence, the DMO and Air Force of information provided by the manufacturers of the aircraft, including Airbus Military and the C295.

Information was sought from various suppliers throughout 2011. Alenia, Airbus Military, Raytheon and the US FMS Office were asked to participate in the process.



Each was asked to provide information on the performance of their aircraft, as well as costing data, in order to enable Defence, DMO and Air Force to conduct a comparative assessment of each aircraft/performance/configuration.

It had been speculated previously that the aircraft's selection had been fast-tracked as a means of spending money in the 2011-12 financial year. Placing \$1.4 billion in the FMS "Bucket" before the 2012-13 financial year or elsewhere over forward estimates allow for the purchase of capability desired by RAAF without eating into the government's narrow budget surplus. This view was further reinforced by the surreptitious nature of the C-27J announcement at the 2012 Air Power Conference, only two days after the May budget. No mention of the C-27J Spartan, the Caribou replacement or the Battlefield Airlifter was made in the Portfolio Budget Statement beyond a vague, reiterated commitment to the project's acquisition.

But while this might indicate some interesting political manoeuvring regarding defence spending, it fails to show any reason why the project may have been excluded from the regulatory requirements for competition.

What seems unavoidable is that the process for the selection of the Spartan was not transparent and thus far has lacked accountability in the assessment of whether the decision offered value for money for Australian taxpayers.

The ANAO audit report will take about eight to 10 months to complete and is due to be released around April-May of 2013.

Hello Steve,

It was great to hear from you on Monday with the news that 35 Squadron was to be reformed. It will be good to see "Wallaby Airlines" flying again. I spoke to Wing Commander John Griffith. He is based at Amberley. He seems to think the Honour Board may be in the Officers' Mess at Richmond.

I do have some port crocks left. They sell for \$20 but I can post them to you for a cost of \$30, if you only want one or two. They come in boxes of twelve, possibly you could arrange with Craig Smith to pick them up from Brisbane Airport or Amberley as I can deliver them to either.

I am having a model of a Caribou done in a Perspex case. It will have a short history of the Caribou, both with RTFV-35 Squadron and 38 Squadron. I will also include the history of 35 Squadron with all the aircraft they operated since 1942. It will be available on loan for anyone holding functions, reunions etc. I will probably apply for a Grant from Vets. Affairs for this project. As time passes us by I will pass the model on to 35 Squadron to preserve part of the history of the Squadron.

I have an "End of an Era" shirt with the Wallaby above the Caribou. I will design a logo with the Wallaby above the Spartan with "A New Era Begins". Let me know your polo shirt size and I will send one down to you. In finishing I don't know if RAAF protocol will allow it but it would be great to see the Spartan with the Wallaby on the tail. It would be great if Wallaby Airlines could fly again.

Re ceremonies, if you could please give me as much notice as possible so our members can book accommodation in Windsor.

Please do not hesitate to contact me if I can be of further assistance.

Cheers

John (Sambo) Sambrooks