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# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1965

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## HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES EIGHTY-EIGHTH CONGRESS SECOND SESSION

SUBCOMMITTEE ON DEPARTMENT OF DEFENSE APPROPRIATIONS

**GEORGE H. MAHON, Texas, *Chairman***

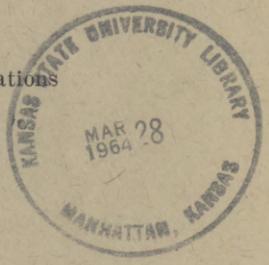
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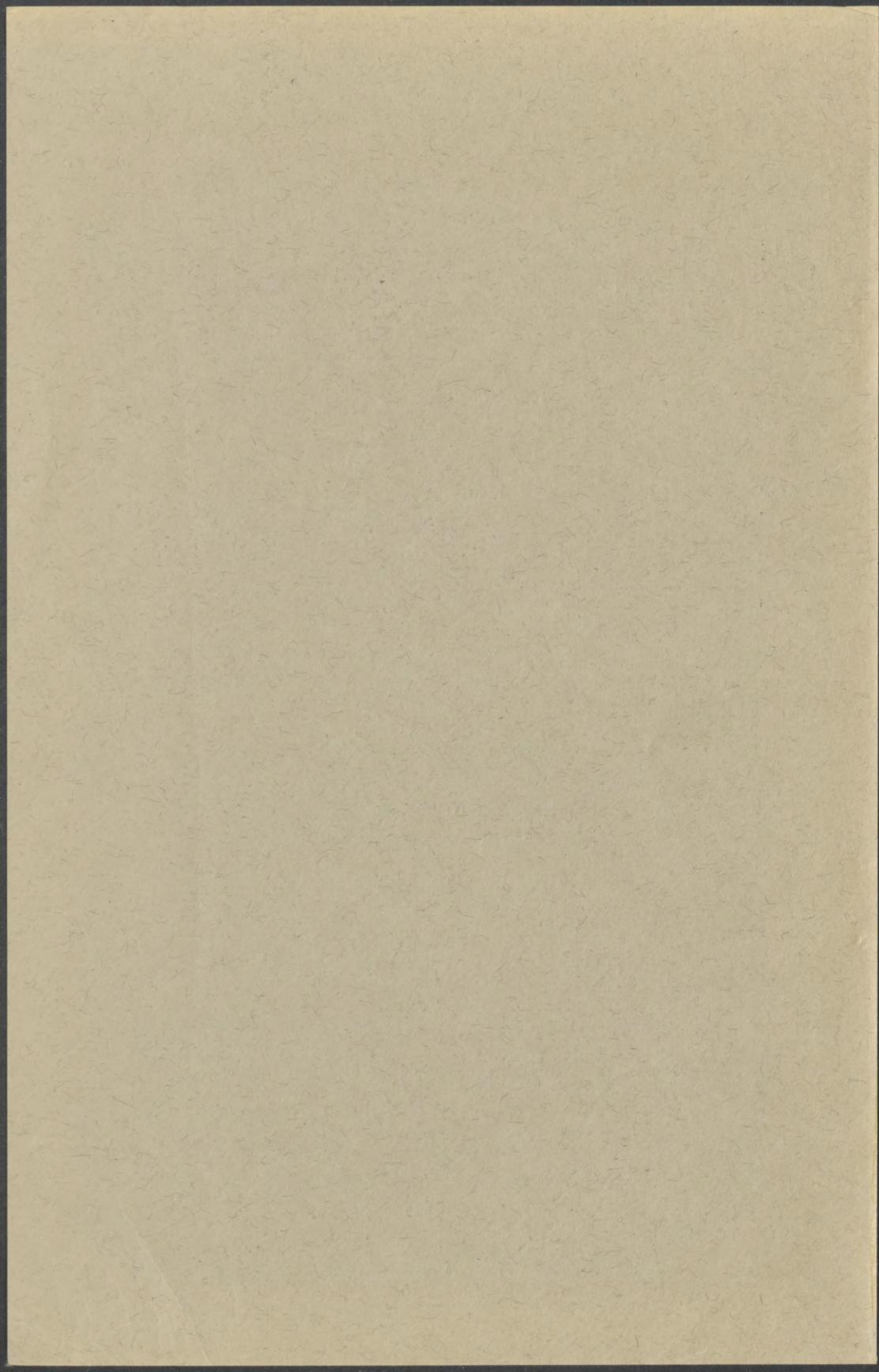
R. L. MICHAELS, *Staff Assistant to the Subcommittee*

### PART 1 MILITARY PERSONNEL

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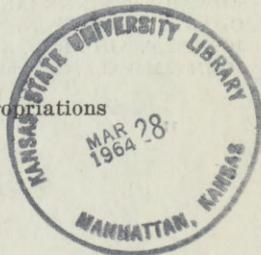
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U.S. GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1964

DEPARTMENT OF DEFENSE  
APPROPRIATIONS FOR 1965

HEARINGS

HEARING A

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DEPARTMENT OF DEFENSE APPROPRIATIONS FOR  
FISCAL YEAR 1965

MONDAY, JANUARY 20, 1964.

MILITARY PERSONNEL, ARMY

WITNESSES

LT. GEN. JAMES L. RICHARDSON, JR., DEPUTY CHIEF OF STAFF  
FOR PERSONNEL  
MAJ. GEN. B. F. TAYLOR, DIRECTOR OF ARMY BUDGET, OFFICE,  
COMPTROLLER OF THE ARMY  
MAJ. GEN. AUTREY J. MAROUN, DIRECTOR OF PROGRAMS, OFFICE,  
DEPUTY CHIEF OF STAFF FOR PERSONNEL  
BRIG. GEN. W. E. BRINKER, ASSISTANT DIRECTOR OF THE ARMY  
BUDGET, OPERATIONS, OFFICE, COMPTROLLER OF THE ARMY  
LT. COL. GEORGE R. HAYMAN, JR., CHIEF, MPA BRANCH, BUDGET  
DIVISION, OFFICE, DEPUTY CHIEF OF STAFF FOR PERSONNEL  
GERALD B. NUTT, MPA BRANCH, BUDGET DIVISION, OFFICE, DEP-  
UTY CHIEF OF STAFF FOR PERSONNEL  
WILLIAM C. STONE, MPA BRANCH, BUDGET DIVISION, OFFICE,  
DEPUTY CHIEF OF STAFF FOR PERSONNEL  
MAJ. GEN. ROBERT S. MORE, SPECIAL ASSISTANT TO THE  
COMPTROLLER, OSD

*Object classification*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
<b>Direct obligations:</b>			
11 Personnel compensation: Military.....	2,541,341	2,749,117	2,836,100
12 Personnel benefits.....	810,613	849,500	901,700
21 Travel and transportation of persons.....	189,315	171,900	171,100
22 Transportation of things.....	129,541	118,600	121,600
25 Other services.....	12,495	11,000	12,300
26 Supplies and materials.....	248,566	263,900	258,800
41 Grants, subsidies, and contributions.....	157	200	200
42 Insurance claims and indemnities.....	2,881	2,800	2,900
43 Interest and dividends.....	1,330	1,300	1,300
Total direct obligations.....	3,936,239	4,168,317	4,306,000
<b>Reimbursable obligations:</b>			
11 Personnel compensation: Military.....	3,743	4,900	5,100
12 Personnel benefits.....	1,233	1,600	1,600
21 Travel and transportation of persons.....	933	900	900
26 Supplies and materials.....	173,000	161,500	47,400
Total reimbursable obligations.....	178,909	168,900	55,000
Total obligations.....	4,115,148	4,337,217	4,361,000

*Program and financing*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
<b>PROGRAM BY ACTIVITIES</b>			
<b>Direct program:</b>			
1. Pay and allowances of officers.....	861,523	972,800	1,017,700
2. Pay and allowances of enlisted personnel.....	2,373,664	2,550,717	2,615,700
3. Pay and allowances of cadets.....	4,675	4,500	4,700
4. Subsistence of enlisted personnel.....	338,632	335,000	336,800
5. Permanent change of station travel.....	352,975	300,600	326,400
6. Other military personnel costs.....	4,770	4,700	4,700
<b>Total direct obligations.....</b>	<b>3,936,239</b>	<b>4,168,317</b>	<b>4,306,000</b>
<b>Reimbursable program:</b>			
1. Pay and allowances of officers.....	3,947	5,500	5,600
2. Pay and allowances of enlisted personnel.....	13,433	12,900	1,300
4. Subsistence of enlisted personnel.....	160,596	149,600	47,200
5. Permanent change of station travel.....	498	500	500
6. Other military personnel costs.....	435	400	400
<b>Total reimbursable obligations.....</b>	<b>178,909</b>	<b>168,900</b>	<b>55,000</b>
<b>Total obligations.....</b>	<b>4,115,148</b>	<b>4,337,217</b>	<b>4,361,000</b>
<b>FINANCING</b>			
Unobligated balance brought forward, military assistance orders (69 Stat. 438) (-).....	-350	-136	-----
Unobligated balance transferred from (-)-----			
"Army stock fund" (76 Stat. 318; 77 Stat. 254) annual appropriation act.....	-200,000	-50,000	-25,000
"Army industrial fund" (77 Stat. 254).....		-50,000	-----
"Defense stock fund" (76 Stat. 318; 77 Stat. 254) annual appropriation act.....	-123,400	-50,000	-50,000
Advances and reimbursements from (-)-----			
Military assistance orders.....	-650	-564	-----
Other accounts.....	-54,719	-49,100	-43,500
Non-Federal sources.....	-123,326	-119,100	-11,500
Unobligated balance carried forward, military assistance orders (69 Stat. 438).....	136		-----
Unobligated balance lapsing.....	9		-----
<b>New obligational authority.....</b>	<b>3,612,848</b>	<b>4,018,317</b>	<b>4,231,000</b>
<b>New obligational authority:</b>			
Appropriation.....	3,662,900	3,785,000	4,231,000
Transferred to "Family housing, Defense" (76 Stat. 237) (-).....	-50,052	-----	-----
Transferred to "Military personnel, Navy" (10 U.S.C. 126).....		-683	-----
Appropriation (adjusted).....	3,612,848	3,784,317	4,231,000
Proposed supplemental due to the Uniformed Services Pay Act of 1963.....		234,000	-----

<sup>1</sup> Reimbursements from non-Federal sources are derived from sale of meals and clothing to service members (10 U.S.C. 4621).

Mr. MAHON. Last week, in fact on January 14, the Subcommittee on Defense Appropriations convened for its first hearing of the year. During last week we had a number of hearings having to do with the background of our defense program.

We also gave consideration to some reprogramming requests from the Army, Navy, and Air Force.

Today, Monday, January 20, we begin the actual consideration of the detailed estimates of the military departments for the fiscal year 1965. Of course, the budget has not been sent down officially by the President. It is scheduled to be presented to us tomorrow.

Under the circumstances we shall dispense with the usual summary of totals and discussions of major policy. Instead, we shall proceed immediately to the dollar estimates for the pay and allowances of the military personnel of the Army.

General Richardson, I believe you are going to be the principal witness.

General RICHARDSON. Yes, sir.

Mr. MAHON. Do you have a statement for us?

General RICHARDSON. Yes, sir.

#### JUSTIFICATION OF THE ESTIMATES

Mr. MAHON. At this point in the hearings we shall insert in the record pages 7 through 26, inclusive, and 32 and 47 of the justifications.

(The justification pages referred to follow:)

EXHIBIT A.—*Military personnel, fiscal years 1963, 1964, and 1965; average strength (man-years) by type of personnel*

	Actual, fiscal year 1963	Estimate, fiscal year 1964	Estimate, fiscal year 1965
Officer (male).....	94,518	95,537	98,134
Officers (Women's Army Corps—WAC).....	756	895	825
Nurses.....	3,115	3,070	3,143
Army Medical Specialist Corps.....	445	430	457
Total, commissioned officers.....	98,834	99,932	102,559
Warrant officers (male).....	9,830	9,839	10,152
Warrant officers (WAC).....	43	44	44
Total, warrant officers.....	9,873	9,883	10,196
Total, officer personnel.....	108,707	109,815	112,755
Enlisted (male).....	855,505	841,938	849,931
Enlisted (WAC).....	8,563	8,800	9,625
Total, enlisted personnel.....	864,068	850,738	859,556
Subtotal.....	972,775	960,553	972,311
Cadets, U.S. Military Academy.....	2,394	2,442	2,538
Grand total.....	975,169	962,995	974,849

EXHIBIT B.—*Strength, gains, and losses, by identity, fiscal year 1963, fiscal year 1964 and fiscal year 1965*

	Male and WAC officers	NAMS	Warrant officers	Enlisted personnel	Cadets USMA	Total
<b>A. Actual fiscal year 1963:</b>						
Begin.....	100,900	3,900	10,800	948,400	1,700	1,065,700
Gains.....	16,700	400	1,300	294,500	800	313,700
Losses.....	22,900	900	2,400	377,300	700	404,200
End.....	94,700	3,400	9,700	865,600	1,800	975,200
Average.....	95,300	3,600	9,800	864,100	2,400	975,200
<b>B. Estimate fiscal year 1964:</b>						
Begin.....	94,700	3,400	9,700	865,600	1,800	975,200
Gains.....	19,500	1,000	1,800	374,500	800	397,600
Losses.....	16,400	600	1,400	382,700	200	401,300
End.....	97,800	3,800	10,100	857,400	2,400	971,500
Average.....	96,400	3,500	9,900	850,700	2,500	963,000
<b>C. Estimate fiscal year 1965:</b>						
Begin.....	97,800	3,800	10,100	857,400	2,400	971,500
Gains.....	16,000	300	1,400	322,800	900	341,400
Losses.....	15,600	700	1,100	320,700	800	338,900
End.....	98,200	3,400	10,400	859,500	2,500	974,000
Average.....	99,000	3,600	10,200	859,500	2,500	974,800

EXHIBIT C.—Military personnel fiscal year 1964 and fiscal year 1965—Grade structure, beginning, end and man-year strengths by identity

	July 1, 1963	June 30, 1964	June 30, 1965	Man-years fiscal year 1964	Man-years fiscal year 1965
<b>Commissioned officers:</b>					
General 5 star.....	2	2	2	2	2
General 4 star.....	13	13	13	13	13
General 3 star.....	36	37	37	38	37
General 2 star.....	191	192	192	191	192
General 1 star.....	241	240	240	240	240
Colonel.....	5,000	5,034	5,034	5,014	5,034
Lieutenant colonel.....	12,235	12,255	12,255	12,242	12,255
Major.....	17,035	17,045	17,045	17,031	17,045
Captain.....	29,432	30,100	30,000	29,551	30,177
1st lieutenant.....	15,519	15,300	16,000	15,655	15,861
2d lieutenant.....	18,388	21,382	20,782	19,955	21,703
Subtotal.....	98,092	101,600	101,600	99,932	102,559
<b>Warrent officers</b>					
CWO W-4.....	1,152	1,150	1,150	1,150	1,150
CWO W-3.....	2,671	2,700	2,700	2,676	2,700
CWO W-2.....	4,348	4,100	4,400	4,263	4,223
WO W-1.....	1,506	2,176	2,160	1,794	2,123
Subtotal.....	9,677	10,126	10,410	9,883	10,196
Total officer personnel.....	107,769	111,726	112,010	109,815	112,755
<b>Enlisted personnel:</b>					
E-9.....	2,783	4,000	4,000	3,392	4,000
E-8.....	11,184	12,000	12,000	11,596	12,000
E-7.....	38,465	36,600	36,600	37,597	36,600
E-6.....	81,344	82,700	81,700	82,037	82,575
E-5.....	141,950	147,300	143,500	144,625	146,825
E-4.....	146,832	145,539	150,339	148,893	146,139
E-3.....	290,731	199,162	242,812	226,226	229,217
E-2.....	75,980	133,400	98,300	98,777	115,554
E-1.....	76,271	96,700	90,200	97,595	86,646
Total enlisted personnel.....	865,540	857,401	859,451	850,738	859,556
Total.....	973,309	969,127	971,461	960,553	972,311
Cadets, U. S. Military Academy.....	1,846	2,400	2,538	2,442	2,538
Grand total.....	975,155	971,527	973,999	962,995	974,849

1. PAY AND ALLOWANCES OF OFFICERS

Direct obligations

BAA	Title	Actual, fiscal year 1963	Estimate	
			Fiscal year 1964	Fiscal year 1965
1-A	Basic pay.....	\$639,128,460	\$723,924,000	\$765,202,000
1-B	Incentive pay.....	21,212,051	26,329,000	29,701,000
1-C	Special pay.....	12,895,772	14,865,000	15,184,000
1-D	Basic allowance for quarters.....	79,167,194	89,624,000	91,065,000
1-E	Basic allowance for subsistence.....	62,579,391	63,095,000	64,785,000
1-F	Station allowances overseas.....	6,486,700	4,961,000	5,053,000
1-G	Uniform allowances.....	4,466,029	5,826,000	4,456,000
1-H	Separation payments.....	19,263,112	20,502,000	19,544,000
1-I	Social security tax, employer's contribution.....	16,324,491	19,975,000	18,305,000
1-J	Family separation allowance.....		3,699,000	4,405,000
	Total.....	861,523,200	972,800,000	1,017,700,000

SECTION 1—PURPOSE AND SCOPE

Provides for pay and allowances authorized by law to be paid to officers serving on active duty.

## SECTION 2—JUSTIFICATION OF FUNDS REQUESTED

## Justification

	Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Average number	Rate	Amount	Average number	Rate	Amount
A. Basic pay:						
General, 5-star.....	2	\$12,917	\$25,834	2	\$12,917	\$25,834
C/JS.....	1	23,355	23,355	1	23,640	23,640
Chief of Staff.....	1	23,355	23,355	1	23,640	23,640
General, 4-star.....	11	21,165	232,815	11	21,420	235,620
General, 3-star.....	38	18,675	709,650	37	18,900	699,300
General, 2-star.....	191	16,880	3,214,580	192	17,040	3,271,680
General, 1-star.....	240	14,640	3,513,600	240	14,820	3,556,800
Colonel.....	5,014	12,170	61,033,880	5,034	12,477	62,827,218
Lieutenant colonel.....	12,242	10,090	123,521,780	12,255	10,440	127,942,200
Major.....	17,031	8,300	141,357,300	17,045	8,627	147,047,215
Captain.....	29,551	6,663	196,898,313	30,177	6,978	210,575,106
1st lieutenant.....	15,655	4,865	76,161,575	15,861	5,130	81,366,930
2d lieutenant.....	19,855	3,072	61,301,760	21,703	3,148	68,321,044
Subtotal.....	99,932	6,685	668,017,747	102,559	6,883	705,916,227
W-4.....	1,150	7,452	8,569,800	1,150	7,742	8,903,300
W-3.....	2,676	6,275	16,791,900	2,700	6,486	17,512,200
W-2.....	4,263	5,278	22,500,114	4,223	5,465	23,078,695
W-1.....	1,794	4,484	8,044,296	2,123	4,612	9,791,276
Subtotal.....	9,883	5,657	55,906,110	10,196	5,815	59,285,471
Grand total.....	109,815	6,592	723,923,857	112,755	6,786	765,201,698
B. Incentive pay:						
(1) Flying duty:						
(a) Crew.....	8,630	2,163	18,666,540	10,201	2,064	21,054,570
(b) Noncrew.....	320	1,320	422,400	380	1,320	514,800
(4) Parachute jumping.....	5,329	1,320	7,034,280	6,004	1,320	7,925,280
(5) Care of lepers.....	1	1,320	1,320	1	1,320	1,320
(6) Low-pressure chamber inside observer, human acceleration or deceleration, experimental subject and test subject in thermal stress experiments.....	5	1,320	6,600	5	1,320	6,600
(7) Demolition duty.....	150	1,320	198,000	150	1,320	198,000
Total incentive pay.....			26,329,140			29,700,570

<sup>1</sup> Amounts include \$13,500 in fiscal year 1964 and \$18,000 in fiscal year 1965 for additional pay of 6 USMA professors with over 36 years' service as authorized in Public Law 88-132, effective Oct. 1, 1963.

	Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Average number	Rate	Amount	Average number	Rate	Amount
<b>C. Special pay:</b>						
(1) Physicians, dentists, and veterinarians.....	7,380	\$1,878	\$13,857,450	7,192	\$1,933	\$13,903,800
(2) General officers—personal allowance.....	53	1,196	63,400	52	1,210	62,900
(3) Diving duty pay.....	10	1,320	13,200	10	1,320	13,200
(4) Duty subject to hostile fire.....	1,411	1,660	931,260	1,824	1,660	1,203,840
Total special pay.....			14,865,310			15,183,740
<b>D. Basic allowance for quarters:</b>						
(1) With dependents.....	49,280	1,643	80,967,040	50,047	1,643	82,227,221
(2) Without dependents.....	6,525	1,235	8,068,375	6,656	1,235	8,220,160
(3) Substandard family housing.....	750	1,798	598,500	774	1,798	617,652
Total B.A.Q.....	109,815	575	89,623,915	112,755	575	91,065,033
<b>E. Basic allowance for subsistence.....</b>			63,095,306			64,784,513
<b>F. Station allowances, overseas:</b>						
(1) Cost of living.....			1,729,600			1,804,200
(2) Housing.....			2,525,600			2,557,300
(3) Temporary lodging.....			705,600			697,200
Total station allowances, overseas.....	20,494	284	4,960,800	15,920	280	5,062,700
<b>G. Uniform allowances: (1) Initial.....</b>			5,826,200			4,455,000
<b>H. Separation payments:</b>						
(1) Lump-sum terminal leave payments.....	17,720	999	17,702,280	16,530	1,007	16,645,710
(2) Lump-sum readjustment payments.....	191	11,162	2,131,997	180	11,976	2,206,794
(3) Severance pay—failure of promotion.....	53	9,905	524,965	51	10,978	539,478
(4) Severance pay—disability.....	15	9,501	142,515	15	10,169	152,535
Total separation payments.....			20,501,757			19,544,487
<b>I. Social security tax, employer's contribution.....</b>			19,974,975			18,305,218
<b>J. Family separation allowance: Duty assignment:</b>						
(a) On PCS outside United States or in Alaska, no quarters furnished.....						
(b) (1) On PCS, dependents not authorized.....	8,700	360	3,132,000	10,400	360	3,744,000
(2) On board ship for more than 30 days.....						
(3) On TDY for more than 30 days with dependents not residing near TDY station.....	1,576	360	567,360	1,835	360	660,600
Total family separation allowance.....			3,699,360			4,404,600

## 2. PAY AND ALLOWANCES OF ENLISTED PERSONNEL

*Direct obligations*

BAA	Title	Actual, fiscal year 1963	Estimate	
			Fiscal year 1964	Fiscal year 1965
2-A	Basic pay.....	\$1,651,340,685	\$1,759,109,000	\$1,822,996,000
2-B	Incentive pay.....	27,516,139	34,043,000	35,948,000
2-C	Special pay.....	55,211,462	26,556,000	17,054,000
2-D	Proficiency pay.....	43,350,630	49,723,000	46,652,000
2-E	Reenlistment bonus.....	38,800,000	40,254,000	43,510,000
2-F	Basic allowance for quarters.....	358,056,327	379,881,000	387,436,000
2-G	Station allowances overseas.....	13,578,250	10,459,000	10,714,000
2-H	Clothing allowances.....	79,124,462	98,850,000	93,206,000
2-I	Separation payments.....	51,021,340	79,882,000	75,162,000
2-J	Social security tax, employer's contribution.....	55,665,020	63,648,000	66,195,000
2-K	Family separation allowance.....		12,512,000	16,827,000
	Subtotal.....	2,373,664,315	2,554,917,000	2,615,700,000
	Proposed supplemental.....		(4,200,000)	
	Total.....	2,373,664,315	2,550,717,000	2,615,700,000

## SECTION 1—PURPOSE AND SCOPE

Provides for pay and allowances authorized by law to be paid to enlisted personnel serving on active duty.

## SECTION 2—JUSTIFICATION OF FUNDS REQUESTED

## Justification

	Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Average number	Rate	Amount	Average number	Rate	Amount
(a) Basic pay:						
E-9	3,392	\$5,653.00	\$19,174,976	4,000	\$5,820.00	\$23,280,000
E-8	11,596	4,836.00	56,078,256	12,000	5,013.00	60,156,000
E-7	37,597	4,271.00	160,576,787	36,600	4,379.00	160,271,400
E-6	82,087	3,694.00	298,122,458	82,575	3,762.00	310,647,150
E-5	144,625	2,940.00	425,197,500	146,825	3,048.00	447,522,600
E-4	148,893	2,101.00	312,824,193	146,139	2,197.00	321,067,883
E-3	226,226	1,272.00	287,759,472	229,217	1,278.00	292,989,326
E-2	98,777	1,094.00	105,098,728	115,554	1,068.00	123,411,672
E-1	97,595	1,966.00	94,276,770	86,646	1,966.00	83,700,036
Total	850,738	2,068.00	1,759,109,140	859,556	2,121.00	1,822,995,567
(b) Incentive pay for hazardous duty:						
(1) Flying duty:						
(a) Crew:						
(b) Noncrew:	2,400	1,085.00	2,605,900	2,900	1,082.00	3,137,420
(c) Parachute jumping	1,300	660.00	858,000	1,900	660.00	1,254,000
(d) Low-pressure chamber inside observer, human acceleration or deceleration experimental observer and test subject in thermal stress experiment	45,100	660.00	29,766,000	46,435	660.00	30,647,100
(e) Demolition duty	45	660.00	29,700	45	660.00	29,700
Total, incentive pay	1,187	660.00	783,420	1,333	660.00	879,780
(c) Special pay:						
(1) Sea duty and at certain locations:						
(a) Duty at certain places	152,972	153.00	23,404,716	84,374	154.00	12,993,596
(b) Diving duty pay	150	889.00	133,350	150	839.00	125,850
(c) Duty subject to hostile fire	4,584	660.00	3,025,440	5,991	660.00	3,954,260
Total, special pay						
(d) Proficiency pay	96,006	518.00	49,722,720	82,645	564.00	46,652,220
(e) Reenlistment bonus	72,400	556.00	40,254,400	76,200	571.00	43,610,200
(f) Basic allowance for quarters:						
(1) With dependents	323,026	1,157.00	373,741,082	329,474	1,157.00	381,201,418
(2) Without dependents	5,482	761.00	4,133,752	6,520	761.00	4,200,720

(3) Substandard family housing.....	3, 621	554. 00	2, 006, 034	3, 671	554. 00	2, 033, 734
Total, basic allowance for quarters.....			379, 880, 868			387, 435, 872
(g) Station allowances, overseas:						
(1) Cost of living.....			3, 398, 100			3, 540, 000
(2) Housing.....			3, 900, 800			6, 056, 000
(3) Temporary lodging.....			1, 100, 000			1, 117, 500
Total, station allowances, overseas.....			10, 458, 900			10, 713, 500
(h) Clothing allowances:						
(1) Initial:						
(a) Military:						
1. Civilian life, men.....	285, 000	164. 63	46, 919, 550	242, 000	165. 28	39, 997, 760
2. Civilian life, women.....	4, 200	286. 69	1, 203, 678	4, 200	286. 59	1, 203, 678
3. Army Reserve with partial clothing allowance.....	200	98. 32	19, 664	200	98. 54	19, 708
4. National Guard with partial clothing allowance.....	500	98. 78	49, 390	200	98. 00	19, 800
5. Retroactive issues to women.....	4, 137	7. 38	30, 531	453, 948	1. 25	567, 435
6. Retroactive issues to men.....						567, 435
7. Less applied returns credit by Army stock fund.....			-700, 000			-560, 000
Subtotal.....			47, 523, 813			41, 158, 381
(b) Civilian:						
1. Winter and summer.....	356	300. 00	106, 800	396	300. 00	118, 800
2. Winter or summer.....	111	200. 00	22, 200	155	200. 00	31, 000
3. Temporary duty.....	438	100. 00	43, 800	361	100. 00	36, 100
Subtotal.....			172, 800			185, 900
(2) Basic maintenance:						
(a) Enlisted men (excluding Korea), less than 6 months' service.....	121, 790			109, 992		
7 to 36 months' service.....	342, 026	50. 40	17, 238, 110	363, 759	50. 40	18, 333, 454
(b) Enlisted women (excluding Korea), less than 6 months' service.....	2, 077			2, 202		
7 to 36 months' service.....	2, 190	50. 40	110, 376	2, 923	50. 40	147, 319
Subtotal.....			17, 348, 486			18, 480, 773
(3) Standard maintenance:						
(a) Enlisted men (excluding Korea), with more than 36 months' service.....	329, 955	64. 80	21, 331, 084	327, 980	64. 80	21, 253, 104
(b) Enlisted women (excluding Korea), with more than 36 months' service.....	4, 500	72. 00	324, 000	4, 500	72. 00	324, 000
Subtotal.....			21, 705, 084			21, 577, 104

## Justification—Continued

	Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Average number	Rate	Amount	Average number	Rate	Amount
(b) Clothing allowances—Continued						
(4) Supplementary						
(a) Replacement during first 6 months			\$1,501,341			\$1,279,212
(b) Issue of winter undergarments			2,585,342			2,347,896
(c) Issue of insignia			1,900,568			2,019,624
(d) Other clothing issue			1,108,330			1,153,698
(e) Issue in kind						
Korea, U. S. Army	48,200	\$85.35	4,113,870	48,200	\$85.35	4,113,870
Koreans attached to U. S. Army	12,000	70.31	843,720	12,000	70.31	843,720
(f) Clothing and petty allowance, enlisted women			4,289			1,997
(g) Civilian clothing maintenance allowances	1,198	36.00	43,128	1,220	36.00	43,920
Subtotal			12,100,558			11,803,937
Total clothing allowances			98,849,771			98,206,095
(f) Separation payments:						
(1) Lump-sum terminal leave payments	306,160	256.00	78,416,920	272,595	270.00	73,600,650
(2) Severance pay, disability	530	2,740.00	1,452,200	542	2,854.00	1,546,868
(4) Authorized donations			13,000			14,000
Total separation payments			79,882,120			75,161,518
(j) Social security tax, employer's contribution			63,647,989			66,195,584
(k) Family separation allowance:						
Duty assignment:						
(a) On PCS outside United States or in Alaska, no quarters furnished						
(1) On PCS, dependents not authorized			10,422,000	39,000	360.00	14,040,000
(2) On board ship for more than 30 days	28,950	360.00				
(3) On TDY for more than 30 days with dependents not residing near TDY station			2,090,160	7,741	360.00	2,786,760
Total, family separation allowance	5,806	360.00				
			12,512,160			16,826,760

## 3. PAY AND ALLOWANCES OF CADETS

*Direct obligations*

BAA	Title	Actual, fiscal year 1963	Estimate	
			Fiscal year 1964	Fiscal year 1965
B	Academy cadets.....	\$4, 674, 600	\$4, 500, 000	\$4, 700, 000

## SECTION 1—PURPOSE AND SCOPE

Provides for statutory rate of pay; payment of commuted value of the ration, and the employer's contribution to social security.

## SECTION 2—JUSTIFICATION OF FUNDS REQUESTED

Academy cadets	Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Average number	Rate	Amount	Average number	Rate	Amount
(1) Basic pay.....	2, 442	\$1, 333. 80	\$3, 257, 140	2, 538	\$1, 333. 80	\$3, 385, 184
(2) Subsistence, commuted ration.....	2, 442	439. 20	1, 072, 526	2, 538	452. 60	1, 148, 699
(3) Social security tax, employer's contribution.....			169, 861			165, 713
Total.....			4, 499, 527			4, 699, 596

## 4. SUBSISTENCE OF ENLISTED PERSONNEL

*Direct obligations*

BAA	Title	Actual, fiscal year 1963	Estimate	
			Fiscal year 1964	Fiscal year 1965
A	Basic allowance for subsistence.....	\$128, 434, 711	\$129, 756, 000	\$130, 371, 000
B	Subsistence in kind.....	210, 197, 057	206, 744, 000	206, 429, 000
	Subtotal.....	338, 631, 768	336, 500, 000	336, 800, 000
	Proposed supplemental.....		(1, 500, 000)	
	Total.....	338, 631, 768	335, 000, 000	336, 800, 000

## SECTION 1—PURPOSE AND SCOPE

Provides funds for the feeding of Army enlisted personnel. Includes payment of commuted value of the ration to enlisted personnel not in a travel status; when authorized to mess separately; when on leave; or whose duties require their absence from duty station for one or more meals. Also, includes subsistence in messes, cross-service feeding by other departments, emergency and operational rations, and payment for meals furnished under contract at commercial facilities. Subsistence supplies are provided by procurement from military stock funds or by local purchase from commercial sources. Excludes cost of subsisting civilian personnel or officers, or subsistence while in a travel status.

## SECTION 1—PURPOSE AND SCOPE

Provides for PCS movements of military personnel (officers, enlisted and USMA cadets) from home of record, place from which ordered to active duty, induction or recruiting station via reception station, indoctrination training stations or schools to first permanent CONUS duty station. Includes dependent travel and associated costs.

## 5. PERMANENT CHANGE OF STATION TRAVEL

*Direct obligations*

BAA	Title	Actual, fiscal year 1963	Estimate	
			Fiscal year 1964	Fiscal year 1965
5-A	Accession travel.....	\$23,920,000	\$24,486,000	\$21,112,000
5-B	Training travel.....	6,600,300	7,379,000	7,747,000
5-C	Operational travel, between duty stations (within CONUS and within overseas).....	16,781,800	16,794,000	18,194,000
5-D	Rotational travel to and from overseas.....	242,267,650	221,693,000	232,767,000
5-E	Separation travel.....	50,010,900	40,053,000	35,131,000
5-F	Travel of organized units.....	13,394,400	8,895,000	11,449,000
	Subtotal.....	352,975,050	319,300,000	326,400,000
	Proposed supplemental.....		(18,700,000)	
	Total, direct obligations.....	352,975,050	300,600,000	326,400,000

## 6. OTHER MILITARY PERSONNEL COSTS

*Direct obligations*

BAA	Title	Actual, fiscal year 1963	Estimate	
			Fiscal year 1964	Fiscal year 1965
A	Apprehension of military deserters, absentees, and escaped military prisoners.....	\$774,900	\$633,000	\$592,000
B	Interest paid on enlisted personnel deposits.....	1,330,000	1,300,000	1,250,000
C	Death gratuities.....	2,665,600	2,767,000	2,858,000
	Total direct obligations.....	4,770,500	4,700,000	4,700,000

## SECTION 1—PURPOSE AND SCOPE

Provides for payment of expenses incident to the apprehension of military deserters, absentees, and escaped military prisoners; interest on enlisted personnel deposits; and death gratuities.

Mr. MAHON. Please proceed.

## GENERAL STATEMENT

General RICHARDSON. Mr. Chairman and members of the committee, this is my first appearance before your committee. I welcome the opportunity to present for your consideration the budget estimate of the Department of the Army for the "Military personnel, Army" appropriation for fiscal year 1965. This appropriation provides for pay and allowances, clothing, subsistence, and permanent change of station travel. My statement is in three parts: First, I will discuss our revised fiscal year 1964 fund situation; next, personnel matters of general interest to the committee; and finally, the Army's requirements by budget activity for fiscal year 1965, noting significant differences from current programs.

## FISCAL YEAR 1964 FUND SITUATION

First, our revised fiscal year 1964 fund situation: For the fiscal year 1964 "Military personnel, Army" appropriation, the Congress made available \$3,935 million which was \$100 million less than the Army's request. The "Military personnel, Army" appropriation request is based on projected average strength, the composition and deployment of forces, and a projection of rates required to support such forces. The original budget estimate for fiscal year 1964 was based upon a beginning strength of 980,000 and an end strength of 975,000, with an

average strength of 968,300. It was the desire of the Congress that we continue the fiscal year 1964 military strength programs within the funds provided insofar as possible. This was to be accomplished with the understanding that should additional funds be required, a supplemental request would be submitted.

A large portion of the \$100 million reduction has been offset by a combination of lower than anticipated average strengths and a further refinement of rates and factors used in our budgeting process. For example, the actual average strength for the first half of this fiscal year has been less than we programmed in the fiscal year 1964 President's budget. Longevity for the officer grades of major, captain, and lieutenant, and several of the lower enlisted grades has been lower than we had expected; based on past experience. By "longevity" we mean years of service for pay purposes. Because of the understrength, the reduced programmed end strength, the unanticipated drop in longevity, and the careful paring of rates, we have adjusted our requirements downward by approximately \$75.6 million for the current fiscal year. At this time, an estimated \$24.4 million will be required to carry out the rest of the fiscal year 1964 personnel program. A supplemental request for the amount needed will be submitted later.

The factors used in the fiscal year 1965 request are derived from those developed in the refinement of the fiscal year 1964 requirements. In other words, rate data in the fiscal year 1965 columns of the budget reflect and carry forward actions we have taken to trim the fiscal year 1964 requirements.

Addressing my second point, I will now cover personnel matters of general interest.

#### PROCUREMENT AND RETENTION OF OFFICERS

For fiscal year 1963, and so far in fiscal year 1964, the Army has fallen short in the officer procurement area. We have taken several actions to improve our officer procurement program. For example, in fiscal years 1963 and 1964, we have scheduled all ROTC graduates for a full tour of active duty. We have expanded our flight training program in order to secure more warrant officer aviators. We are reviewing the records of Reserve officers not now on active duty in order to approach selected officers and see if they are interested in a tour of active duty. Also, an intensive recruiting program, Operation Nightingale, was begun to obtain greater numbers of nurses for the Army. We have also expanded our educational assistance programs for students of nursing. We have every hope that these steps will improve our officer procurement program.

To meet the needs of the Army, we are also making every effort to encourage more of our fine young officers to remain on active duty beyond any period of obligated service. In this regard, the Army deeply appreciates the assistance provided by Congress through enactment of the Uniformed Services Pay Act of 1963. However, if we are to be successful over the long pull in retaining personnel with the required qualifications, it is essential that, in the future, military compensation be reviewed and adjusted on a regular basis to permit our personnel to maintain a desired standard of living. The Department of the Army, therefore, strongly supports the increase for pay being submitted in the legislative program portion of the President's fiscal year 1965 budget estimate.

Our actions in retention are primarily directed at the improvement of existing personnel policies and procedures and include fresh looks at all the well-known aspects of the retention problem, such as housing, oversea tour lengths, and family considerations. Some of the specific actions taken this past year include improved standards for bachelor housing, an option for an officer to extend beyond his obligated tour for a short period, and improved guidance for the counseling of young officers. We need to retain our very fine young officers to serve as the platoon leaders and company commanders of today and to become the higher commanders of the Army of tomorrow.

I am particularly concerned about the shortage of on-post housing. Increased and improved housing is definitely required to help us retain many of the good personnel we are now losing. We strongly support the amount of housing in the fiscal year 1965 budget and strongly recommend approval of this request. Many other problems of an individual can be borne and accepted more readily if his personal environment is acceptable to himself and his family.

#### ENLISTMENTS AND REENLISTMENTS

The Army continues to meet the bulk of its manpower requirements through voluntary enlistments and reenlistments, which currently make up 78 percent of our strength, but only 39.4 percent have over 3 years service. Therefore, selective service input continues to be required to meet our total manpower requirements.

During fiscal year 1963, the overall Regular Army reenlistment rate showed a slight decline. Many factors affect this rate. Policy changes designed to reduce turbulence, to reduce permanent change of station costs, and to improve quality were some of the factors influencing the rate. Also, personnel were allowed to reenlist only upon the recommendation of their unit commander. Lack of housing, inadequate pay, and rapid rotation also have an effect.

Our reenlistment rates took a further drop during the first quarter of fiscal year 1964, but returned to normal during October and November. In order to improve reenlistment rates of first-term soldiers, a new policy was announced in October 1963 which authorized reenlistment after completion of only 1 year of service instead of waiting until completion of 2 years.

Last year, the committee expressed an interest in the quality of men obtained through Selective Service channels and asked whether or not action should be taken to improve the standards used for screening. As a result of your suggestion, we worked with Selective Service and came to an agreement on improved standards. This procedure has resulted in a definite improvement in the quality of men being inducted.

#### ENLISTED PROFICIENCY PAY PROGRAM

In its report of June 21, 1963, concerning the fiscal year 1964 Defense appropriation bill, this committee questioned the payment of proficiency pay to individuals with noncritical skills. The committee concluded that: "It is not too soon to study the merits, benefit, and application of proficiency pay." A revised enlisted proficiency pay program has been implemented which should result in an improvement in this program and contribute to increased retention of soldiers in "hard skill" occupational specialties as well as provide additional incentive for outstanding job performance in our combat skills. For

the first time, P-3 specialty awards (\$100) were authorized and at the same time P-1 and P-2 rates were increased from \$30 and \$60, respectively, to \$50 and \$75. We are continuing study of the proficiency pay program to determine if certain skills should be placed in a higher pay rate in order to improve the retention situation further.

#### ARMY AVIATION PROGRAM

Our requirements for additional aviators and mechanics continue because of our conversion to the ROAD division structure, and to support the Republic of Vietnam and to carry on our testing of the air mobility concept. As mentioned earlier, our warrant officer aviator program has been expanded and is progressing satisfactorily. There is an increase in the number of men entering training as aircraft mechanics, armament repairmen, and aviation electronic technicians.

#### ENLISTED EVALUATION SYSTEM

The enlisted evaluation system continues as a valuable tool for effective personnel utilization. We now test in all primary specialties on an annual basis. Beginning with the last quarter of fiscal year 1964, application of the enlisted evaluation system will be extended to include testing of Active Army personnel in their additional or secondary military occupational specialties (MOS). Information derived from the additional testing is expected to facilitate better utilization of the abilities and talents of our soldiers. Testing of Reserve component enlisted personnel is also scheduled to begin during this spring.

#### WOMEN'S ARMY CORPS

The Women's Army Corps continues to enlist and commission in the Army qualified women in sufficient numbers to support the peacetime force, and to serve as a base upon which to expand the use of the Nation's womanpower in time of emergency. The active duty strength of the Women's Army Corps as of October 31, 1963, was 9,398. This strength includes 548 student nurses and medical specialists enlisted in and carried by the Women's Army Corps until commissioned in the Army Nurse Corps or the Army Medical Specialist Corps.

#### BEHAVIOR

Discipline and behavior in the Army continue to be excellent. Since fiscal year 1960, the courts-martial, absent-without-leave, and prisoner rates have remained low with only slight fluctuations. In fiscal year 1963, the courts-martial rate decreased while the absent-without-leave and prisoner rates increased slightly. Since the post-Korean peak in 1955, the disciplinary barracks prisoner population has been reduced 88 percent. Eight years ago the Army operated five disciplinary barracks. Today only one is required. Further, as was anticipated, the legislation which increased the commander's authority under Article 15: Uniform Code of Military Justice, has had the desired effect: a measurable influence on the number of summary courts-martial. Since implementation, this rate dropped 23 percent in fiscal year 1963 and remains down during the first part of fiscal year 1964. Passage of this legislation was most helpful and we appreciate the congressional action in this matter.

### CHAPLAINS' ACTIVITIES

During fiscal year 1963, each chaplain conducted an average of 247 religious services. In his pastoral role he contacted over 3,800 persons. He also supervised or conducted 146 religious education classes and 64 character guidance orientations and instructions. In addition, he conducted baptisms, weddings, and funerals for military personnel and their dependents and participated in off-post activities to maintain good relationships with the civilian community.

In fiscal year 1964, continued emphasis is being placed on the field activities of the chaplains—visiting training areas and the soldier in the field. This helps the chaplain to better understand the attitudes and problems of the soldier.

### HEALTH OF THE ARMY

Man remains the indispensable element in military operations, and good health and high morale are his strongest assets. The great advances in weaponry and tactics place ever greater reliance upon the effectiveness of the individual soldier. He must not only be better trained, but he must be in peak physical and mental health to fulfill his responsibilities in a modern military environment. It is therefore encouraging to report to you that the health of the Army has never been better. In the Active Army during fiscal year 1963, the noneffective rate because of disease or injury reached a record low level of only 10.8 noneffectives per thousand men per day. In the first quarter of fiscal year 1964, the rate has been lower in each month than in the corresponding month last year. These low rates mean that the soldier can devote himself to his duties more consistently and more effectively.

### FUND REQUIREMENTS, FISCAL YEAR 1965

As my third and final point, I would now like to discuss the detailed budget justifications for fiscal year 1965. Army strength at end fiscal year 1965 will be 973,999, and the average strength for the year will be 974,849. This will consist of 101,600 officers, 10,410 warrant officers, 859,451 soldiers, and 2,538 cadets. Included in this strength is a continuation of 15,000 personnel spaces for the air mobility concept. The officer ratio will remain at 11.5 percent and the ratio of E-4's through E-9's will remain at 50.5 percent.

The direct budget plan request for military personnel, Army, for fiscal year 1965 is \$4,036 million of which \$4,231 million is new obligational authority. The fiscal year 1965 pay and allowances of officers reflects a net increase of \$44.9 million over the fiscal year 1964 revised program. Increases are based primarily on a program of increased officer average strength in fiscal year 1965; higher pay rates because of payments for a full 12 months under the Pay Act of 1963; incentive payments for aviators and crewmembers to support expansion of the Army aviation program; paratrooper pay authorizations for members of air assault test units and certain special forces units; and increases in basic allowance for quarters and basic allowance for subsistence because of the higher average strength.

Pay and allowances of enlisted personnel reflect a net increase of \$60.8 million in fiscal year 1965 compared to fiscal year 1964. Increases are due to a higher average strength; higher pay and allowance rates because of payments for a full 12 months under the Pay Act of

1963; more incentive payments for flying duty; increased number of paratroopers to support air assault test units and special forces units; reenlistment bonuses due to more entitlements and rate increases granted by the Pay Act of 1963.

Pay and allowances of cadets are \$0.2 million higher in fiscal year 1965 because of an increase of 96 in the average strength of the Cadet Corps.

Subsistence of enlisted personnel reflects \$0.3 million more in fiscal year 1965 caused by a higher enlisted feeding strength.

Permanent change-of-station travel reflects a net increase of \$7.1 million in fiscal year 1965 when compared to the revised fiscal year 1964 program. Increases are due to requirements for the air assault test units and an increase in oversea rotational unit and individual moves.

The fiscal year "1965 Military personnel, Army" appropriation which we have submitted is necessary to support our present 16-division force and provide for continued testing and development of our air mobility concept.

Mr. Chairman, this concludes my prepared statement. Thank you very much.

(Biographical sketch of General Richardson follows:)

Brief biographical sketch: Born June 12, 1909, Nebraska City, Nebr. Graduated from the U.S. Military Academy in 1930; the Infantry School, 1939; the Command and General Staff College, 1943; the Naval War College, 1948; the National War College, 1952. In December 1943 General Richardson was assigned as Assistant Chief of Staff, G-3 of the 70th Infantry Division. He was assigned in June 1944 as regimental commander of the 275th Infantry Regiment. In October 1944 he went to Europe as Assistant Chief of Staff, G-3, of the 70th Infantry Division. In October 1945 he became guerilla affairs officer, 86th Division. In January 1946 he became commanding officer of the Philippine Scout Replacement Depot and later assumed command of the 30th Replacement Depot. In December 1946, he was named the G-3, 12th Infantry Division, Philippine-Ryukus Command. From May 1948 until April 1949 he was assigned to the Plans and Operations Division, Army General Staff. During 1949 and 1950 he was assigned as an infantry instructor, California National Guard. In September 1950 he became regimental commander, 224th Infantry, 40th Infantry Division in Japan and Korea. In 1952 he was assigned to Department of the Army as Chief, Plans Division, G-1. In December 1953, he was named the assistant division commander, 28th Infantry Division, in Europe. In July 1955, he was assigned as Chief of Staff, VII Corps, U.S. Army, Europe. He was assigned in July 1956 to The Adjutant General's Office as Chief, Career Management Division until March 1958 when he became Assistant Deputy Chief of Staff for Personnel. General Richardson was appointed commanding general, U.S. Army, Hawaii and 25th Infantry Division, in August 1960. He was named Deputy Commander in Chief and Chief of Staff, U.S. Army, Pacific, in February 1962. In May 1962 he was appointed commander, Joint Task Force 116 for operations in Thailand. He returned to Hawaii from this assignment in December 1962 and in April 1963 was designated Acting Deputy Chief of Staff for Personnel. On June 1, 1963, General Richardson was designated the Deputy Chief of Staff for Personnel. Decorations include Distinguished Service Medal, Silver Star, Legion of Merit with Oak Leaf Cluster, Bronze Star Medal with "V" device and the Purple Heart.

#### IMPROVEMENT IN THE HEALTH OF THE ARMY

Mr. MAHON. General, it is a pleasure to listen to your statement. We are glad that the Army continues in good health and is improving in health all the time.

This will give you better utilization and save money. You will be able to have fewer people as you decrease the rate of ineffectiveness as a result of health problems.

General RICHARDSON. It increases our combat effectiveness and ability and the ability to carry out our missions. I do not believe it would reduce our requirements for personnel.

Mr. MAHON. You have 100 men out of every 1,000 out at all times for health reasons?

General RICHARDSON. We have 10.8 per thousand.

Mr. MAHON. I am not expert in health matters. That seemed quite high. Ten people out of 1,000?

General RICHARDSON. Yes.

Mr. MAHON. That sounds better. That is excellent.

Mr. WHITTEN. Perhaps the general is trained to say he cannot do with fewer people.

If you had 200 sick out of 1,000, you would need more help, would you not?

General RICHARDSON. We would have to do something about our health problem.

Mr. WHITTEN. If you had 900 sick out of 1,000, you would need more help; would you not?

General RICHARDSON. Yes.

Mr. MAHON. I read yesterday it was worth \$25,000 to a person to have good health throughout his life span, or \$50,000 to a couple. I would think it is worth a lot of money to have a healthy Army. You apparently have it. I am glad to note you are increasing good health in the Army.

#### STOCK AND INDUSTRIAL FUND TRANSFERS

General Moore, we are glad to have you with us as you have been for many years. Will you see that the Department of Defense prepares for insertion at this point in the record a tabulation of stock and industrial fund transfers?

General MOORE. I shall have that done.

(Information in addition to the following may be found on p. 367:)

*Transfers from revolving fund accounts to general fund accounts fiscal year 1964-65*

[Thousands of dollars]

	Authorized fiscal year 1964	Proposed fiscal year 1965
Army stock fund: To: Military personnel, Army.....	50,000	25,000
Air Force stock fund: To: Military personnel, Air Force.....	25,000	35,000
Defense stock fund: To: Military personnel, Army.....	50,000	50,000
Military personnel, Navy.....	30,000	50,000
Military personnel, Air Force.....	20,000	40,000
Total.....	100,000	140,000
Army industrial fund: To: Military personnel, Army.....	50,000	-----
Navy industrial fund: To: Military personnel, Navy.....	90,000	-----
Air Force industrial fund: To: Military personnel, Air Force.....	10,000	-----
Total.....	325,000	200,000

Mr. MAHON. We should note here, in spite of the protestations of last year, the budget for 1965 proposes additional transfers.

The recent military personnel pay raise continued in effect a number of steps and variations in pay and allowances which have been in existence for many years.

## NUMBER OF BASE PAY RATES

General, could you tell the committee at this point how many base pays exist?

General RICHARDSON. I am not sure that I really understand the question.

Mr. MAHON. The base pay of a person depending upon his job, his length of time in the service, and his status otherwise varies from time to time?

General RICHARDSON. Yes, sir.

Mr. MAHON. How many of these are there, could you say?

General RICHARDSON. For each grade we have a base pay depending on the years of service, and that increases each 2 years up to 22 years and then it jumps 4 years to 26 years, and none beyond 26 years of service. There would be 15 base pays, I believe, the way you are asking the question, per grade.

Mr. MAHON. How many grades?

General RICHARDSON. Twenty-three grades, sir.

Mr. MAHON. If you multiply 15 by 23, you would have the base pay?

General RICHARDSON. Yes, sir.

May I elaborate a bit on that?

As you get into the higher grades, both in the enlisted and officer, while there is a table for 2 years of service, you would not normally find a higher enlisted man or officer with 2 years of service, they would have more service than that.

## NUMBER OF ALLOWANCES PAYABLE

Mr. MAHON. In this same vein, there are also variations by grades, seniority, and so forth, with respect to allowances, including such matters as more allowances for quarters when one has dependents than when one does not. What is the total number of allowances available under the law?

General RICHARDSON. Each grade has an allowance, both for with dependents and without dependents.

Mr. MAHON. And it varies?

General RICHARDSON. And it varies, and it is grade E-4 with 4 years of service and above, so this would make about 26 various allowances for quarters.

Mr. MAHON. Does this complicate unduly, or unnecessarily, the operation of the Army?

General RICHARDSON. No, sir. We have had this for years, sir.

Mr. MAHON. It puts quite a burden on the pay system and those who operate it, does it not?

General RICHARDSON. Yes, sir; but they have the rates all in their tables and each finance clerk has it, and by experience knows which.

Mr. MAHON. Would you recommend any modification, or variation, or simplification, or streamlining of these procedures?

General RICHARDSON. No, sir.

## CONTROL OF PERSONNEL APPROPRIATIONS

Mr. MAHON. As you know, the committee has for several years insisted there be some strict control over military personnel appro-

priations so as to preclude the deficiencies which have from time to time occurred in this appropriation.

General RICHARDSON. Yes, sir.

Mr. MAHON. Would you tell the committee at the present time what steps are underway to provide, first of all, a simplification of the pay structure? You can have anyone answer you want to speak to the question, General.

General RICHARDSON. If you want this just on the pay structure, I would answer it this way: Defense has committees now studying our pay structure to see what improvements should be made.

Mr. MAHON. Are you making any study yourself?

General RICHARDSON. We are working with Defense in the study; yes, sir. We are helping.

Mr. MAHON. Has a single reporting system for all services been considered?

General BRINKER. Yes, sir; a single reporting system has been considered. It has not been adopted. The Army is collecting data on accrued pay entitlements, but we cannot fully implement our refinement of this until the other services establish a similar accrued entitlements system, because the Army has some 20,000 people in the Army who are paid now by the Air Force and the Navy.

Mr. MAHON. What about coordination of personnel and financial reporting statistics? Are you effecting some coordination here among the services?

General BRINKER. This is being coordinated by the Department of Defense. It is not the easiest thing to get individual services to change their ways to a common system and this is under study by Defense and the Army, Navy, and Air Force.

Mr. MAHON. General Brinker, do you think this is a step in the right direction to achieve any benefits?

General BRINKER. I think probably it is; yes, sir. It is going to require some changes from established procedures, but I believe we will be able to know better where we are and if we do have a common system.

Mr. MAHON. Are you familiar with Defense Directive No. 7040.3?

General BRINKER. Yes, sir.

Mr. MAHON. What is that directive?

General BRINKER. That is a directive that has to do with the improvement in the management of the military personnel appropriations—Army, Navy, and Air Force.

Mr. MAHON. What is being done, if anything, toward the implementation of this directive?

General BRINKER. In the Army's case, we have met with the Defense people many times and we have satisfied their requirements in this directive in all areas except the control of the permanent change of station, travel. In permanent change of station control we have moved and narrowed the differences between what Defense thinks they want and what the Army thinks it should do, so that the area remaining to be settled is relatively small. The other services are also working with Defense, and we know what they are doing.

Mr. MAHON. There is really not a uniform system as of now?

General BRINKER. Not at the present time; no, sir. There is not agreement as to what the system should be.

## IMPROVEMENT IN MANAGEMENT OF PERSONNEL APPROPRIATION

Mr. MAHON. With respect to this overall discussion of military personnel appropriations, General, I wish you would review this testimony and add at this point any further clarifying information which you think would make this clearer to the committee.

General RICHARDSON. We would be happy to.  
(The information requested follows:)

IMPROVEMENT IN MANAGEMENT OF THE "MILITARY PERSONNEL, ARMY"  
APPROPRIATION

1. DOD Directive No. 7040.3 dated October 2, 1962, "Program for Improvement in the Management of Military Personnel Appropriations and Related Personnel Programs of the Active Forces," prescribes basic policies for improvement in management of the military personnel appropriations and programs and requires establishment of a time-phased, 2-year program for implementation. The major requirements of the directive are summarized as follows:

(a) Improve manpower-personnel planning and programing through use of improved forecasting techniques, which have as part of their foundation current actual manpower-personnel inventories.

(b) Price programs with realistic cost data.

(c) Establish a fund control system which provides for certification of fund availability prior to creation of an obligation.

(d) Make funds available to the head of the organization responsible for program and financial management.

(e) Do not use the "Military personnel, Army" appropriation to finance inventories of materiel and supplies, except as authorized by the Assistant Secretary of Defense (Comptroller).

(f) Obligations for pay and allowances (entitlements earned) shall be obtained from the individual service members' military pay accounts.

(g) Obligations for permanent change of station travel shall be obtained from each individual and unit travel order.

2. The Army plan for implementing the requirements of the directive has been generally approved by OSD, except for that portion of the plan pertaining to control of permanent change of station travel. An Army revised plan for permanent change of station travel is currently being considered by OSD.

3. The Army has met the requirements of the directive as follows:

(a) Reports have been established to provide an accurate inventory of manpower-personnel data for use as a basis in forecasting under allowances for quarters (BAQ) and foreign duty pay. These reports will replace the sample survey previously relied upon. In addition, automation of the troop basis of the Army was initiated in the last quarter of fiscal year 1963. This system will provide data more rapidly and allow 5-year projections that are in consonance with the 5-year force structure and financial plan.

(b) A system for generating monthly accrued entitlements for military pay and allowance items from individual service members' pay accounts was established in fiscal year 1963. When fully implemented, this system will replace the statistical determination of pay and allowance obligations based on average salary data. In the area of permanent change of station travel, more accurate travel cost factors are now being received from the U.S. Army Finance Center where all permanent change of station travel vouchers are costed to determine costs for the six broad types of travel by several officer and enlisted grade breakouts.

(c) Under the present open allotment system used in funding the appropriation, certification of fund availability cannot be made in the case of every item that generates an obligation. However, by means of monthly operating budget reviews, the cost of the program is computed monthly and compared to funds available. If these reviews reveal a fund shortage for the personnel program, a prompt decision can be made whether to adjust the program or whether to seek additional funds.

(d) The Army controls the military personnel program centrally at the Department of the Army level. At the present time all funds are allocated to the Deputy Chief of Staff for Personnel and administered by his office under open allotment. However, approximately 1 percent of the permanent change of station travel program; namely, unit travel in the oversea commands and certain

intracommand travel, is subject to command control. In the future, appropriate Army commands either may be given funds for operation of these two programs or may be given specific movement quotas. This matter is presently under study by the Army.

(e) The Army stock fund is being extended worldwide. This action should be completed prior to October 1, 1964, except for a few remote localities for which exemption will be requested from the Department of Defense. As a result of stock fund extension, the "Military personnel, Army" appropriation will be relieved of the burden of financing inventories of subsistence and clothing materiel, which have not been issued for use or consumption.

(f) A system of accrued entitlements for pay and allowances, that will allow determination of obligations from the individual service members' pay account, has been established. (See par. 3(b), above.)

(g) The Army has not yet established a system for determining permanent change of station travel obligations from individual travel orders because of the estimated cost (between \$2 and \$3 million per year) coupled with no promise of earlier or more accurate obligation data. Instead, the Army has proposed a refinement of its present system of centrally determining permanent change of station travel obligations, based on more definite cost factors derived from the average of costs on travel vouchers. These data reflect actual performance patterns of military personnel in their selections of travel options associated with permanent change of station moves. OSD is currently reviewing this proposal.

### MISUTILIZATION OF MILITARY PERSONNEL

Mr. MAHON. The General Accounting Office has been conducting a series of reviews with respect to the misutilization of military personnel.

This is a task which is undertaken from time to time by the various committees and groups and agencies.

As a result of the GAO studies, certain questions arise.

During a recent visit of a GAO official to Korea, I understand, it was determined that 20 CH-21 large cargo troop transport helicopters had been assigned to a given company of the 7th Infantry Division. It was determined that 28 mechanics were authorized for the unit, but only 18 had been assigned, and only 6 of those assigned had any prior training on the repair of the CH-21 helicopter.

A local commander is alleged to have stated that by the time he could train a man to be effective in repairing helicopters, the man would rotate to the continental United States.

It also appears that helicopter mechanics, dispatched from the United States to Korea, have been assigned to such functions as life-guards at swimming pools, dog handlers, company clerks, and so forth.

These kinds of charges and allegations tend to downgrade the services in the eyes of Congress and the country.

### HELICOPTER MECHANICS

What would be your comment as to these allegations?

General RICHARDSON. May I start first on the H-21 mechanics?

At the time we deployed helicopters ——— to South Vietnam, we had to use H-21's because that is what we had at that time. We had not gotten into our new program with the UH-1 series helicopter. As a result, we eventually deployed ——— H-21's ——— to South Vietnam. This became our first priority within the Army then to support. We were short of mechanics trained for the H-21 because it was going out of our system. Our programing was going to bring another type of helicopter in. So in order to——

Mr. FLOOD. May I interrupt?

You do not need special mechanics for every bird.

General RICHARDSON. Yes, sir; they do, because they have different engines and different frames.

Mr. FLOOD. You mean a separate corps, or batch, of mechanics for every bird?

General RICHARDSON. They need training on that type of aircraft; yes, sir. They may move from one aircraft to another, but they have different engines.

Mr. FLOOD. I would hate to think if you have five choppers of different breed, you have to have five crews.

General RICHARDSON. One man may be able to maintain all five of them, but he has to have special training in each of the five.

Mr. FLOOD. Just so we know.

General RICHARDSON. Right, sir.

To go ahead, sir, because we have first priority to support South Vietnam on this, and we were short of H-21 mechanics, we had to take them from other places throughout the world and put them in South Vietnam. This made Korea and other places short. We started immediately training more H-21 mechanics, but we have not caught up in all our aircraft mechanic training yet, sir. We are continuing to train more so that we can support aircraft the way they are required.

Mr. MAHON. Then you are familiar with the report of the General Accounting Office?

General RICHARDSON. Yes, sir.

Mr. MAHON. Is the report correct, and are the allegations true?

General RICHARDSON. Yes, sir; in some respects I am sure they are.

Mr. SIKES. Why should a trained mechanic ever be assigned as a lifeguard, or a dog handler, or in some of the other capacities alleged by GAO?

General RICHARDSON. From here, this does not seem like it should ever happen. I am the first one to admit it. We allow our commanders certain latitude in the assignment of the men he receives to the duties that he requires to have accomplished. I cannot specifically answer the question except as I say, from here, it does not seem reasonable at all. When we find it, we certainly correct it.

Mr. FLOOD. Do you enlist men directly as aviation mechanics?

General RICHARDSON. This is one they can volunteer for; yes, sir.

Mr. FLOOD. Do you keep your word?

General RICHARDSON. Yes, sir.

Mr. FLOOD. You do not always, do you, in this case?

General RICHARDSON. Yes, sir; we do.

#### ACTIONS TO CORRECT MISASSIGNMENTS

Mr. FORD. Would the Chairman yield?

You have indicated, General, that you permit the commander to have some flexibility. You have also said the report is accurate. Someone was at fault in the field if the report is accurate. Someone in authority made a mistake.

General RICHARDSON. That is right.

Mr. FORD. What action has been taken in these cases?

General RICHARDSON. I cannot answer that specific question, Mr. Ford. I can look it up and provide it for the record. I do not know the answer.

(The information requested appears on p. 42.)

Mr. SIKES. What has been done to insure against the continuation of that misassignment practice?

General RICHARDSON. As for specific directives that have been put out in this particular case, I cannot answer specifically, but again, we continually, through our inspections, and looking at the utilization of our personnel, concentrate on our commanders using the personnel in the proper way.

Mr. FLOOD. He will be transferred and promoted. You have been here 15 years. You know that.

Mr. MAHON. General, I want you to note carefully what I say at this point in the record.

I wish you would, General Richardson, review these questions when this transcript comes to you and answer them right on the button, so to speak, specifically, so we can have the right answer. You do not have it now, but we want the right answer.

General RICHARDSON. Yes.

(Reply to reports of General Accounting Office reports on personnel misassignment may be found on p. 42.)

Mr. WHITTEN. General, the last time I was in Berlin, which was some time ago, the aide to the general there had just graduated from a school in Turkey, had spent 2 years of the Government's money and his time mastering the Turkish language, so they assigned him as aide to the general in West Berlin.

Do you have a section in the Army where a man who knows he has been misassigned can go direct and make a complaint, or does he have to go through channels and probably get sent to South, South, South Korea for complaining, or get caught for writing his Congressman and then get sent out to the Middle Atlantic? This has happened.

General RICHARDSON. He can write directly in to me if he wants to.

Mr. WHITTEN. I know he can if he has nerve enough, he can write you, but if he had that much nerve, he probably would be on an equal basis with you.

#### OFFICE OF PERSONNEL OPERATIONS

Why do you not set up a section where a man can go directly and complain, because it is bad?

General RICHARDSON. We have the Office of Personnel Operations which handles the assignment of officer and enlisted personnel, and they can go directly to that. It is an independent agency.

Mr. WHITTEN. How far down the line is that from your office?

General RICHARDSON. That is the special staff section under my office.

Mr. WHITTEN. Are the personnel advised of that right?

General RICHARDSON. Oh, yes, sir; they know they can write to them.

Mr. WHITTEN. Please supply for the record how many complaints they have had, what action has been taken, how long it has been in existence, and so forth.

General RICHARDSON. I will be happy to.

(The information referred to follows:)

The Office of Personnel Operations (OPO) is the responsible Department of Army agency for the assignment of personnel within established policies. Complaints relative to the assignments of personnel are referred to this Office. However, an individual who feels he is misassigned is encouraged to take this up with his unit commander. In the event the man would rather write to Department of

Army, he may, in the case of officers, to his career branch in Officers Personnel Directorate (OPD) or for enlisted men to the Enlisted Personnel Directorate (EPD). Whenever an individual is in the Washington area he may come in person and visit with the appropriate office in OPO. Individuals do take advantage of these personal visits as evidenced by the fact that EPD has an average of about 40 visitors a day or over 10,000 visits a year.

The great majority of our visits or correspondence are with respect to compassionate reassignments or change in assignments and thus overall statistics on actual complaints have not been kept. However, of an average of some 850 queries concerning enlisted men received a month from Congress, about 65 involve alleged improper utilization of which 3 are justified or have merit.

In these cases where a bona fide complaint exists, the assignment has been changed or action referred to the appropriate commander recommending change.

This basic procedure has been in existence for a number of years, however, it has only been since July 1962 that all actions in this area were centralized under OPO.

Mr. SIKES. Could we have copies of the directives which have been issued, if any have been issued, since the GAO report came out so we will know what steps are in progress.

Mr. MAHON. You will do that?

General RICHARDSON. Yes, sir.

Mr. FORD. Do you mean by that, Mr. Sikes, that after General Richardson's office was informed about these reports, we want to know what has been done from the top down to correct the situation, is that right?

Mr. SIKES. That's right.

(The information requested follows:)

With reference to the GAO report on the improper utilization of trained enlisted personnel; as the report is not completely processed, no new directives have been issued. However, the basic Army regulations governing classification and utilization are and have been in effect for some time. They are AR 611-203 "Enlisted Occupational Classification and Utilization" and AR 611-205 "Enlisted Evaluation System." These are available in the Department of the Army.

#### INADEQUATE UTILIZATION OF AIRCRAFT MECHANICS

Mr. MAHON. There is, as you are all probably aware, a report pending in the General Accounting Office with respect to utilization of aircraft mechanics of the 101st Airborne Division. Are you familiar with that?

General RICHARDSON. Yes, sir.

Mr. MAHON. In this connection, the GAO proposes to show that because a commercial contractor performs aircraft maintenance at a cost of about \$237,000 a year, the military aircraft mechanics do not have an adequate chance to obtain experience in the field in which they have been trained. What would be your comment on that observation?

General RICHARDSON. In that report, Mr. Chairman, the contracting for the maintenance of aircraft at Fort Campbell was accomplished before there was a division transportation company. It was back in 1957 or 1958, somewhere around there. The contract for the maintenance was continued.

The aircraft mechanics that were assigned to the 101st Transportation Company of the division did not spend full time working on the maintenance of the aircraft and again this falls into the area of the commander having the authority to use his personnel as he sees fit.

Mr. MAHON. Well, do you think a mistake has been made here in the handling of this matter?

General RICHARDSON. I think that the aircraft mechanics should have been used on aircraft maintenance more; yes, sir. I certainly do.

Mr. MAHON. Will this report be of any advantage to the Army? Will it tend to produce some modification and improvement in the procedures?

General RICHARDSON. Yes, sir; because we take the experience gained from our General Accounting Office reports and then give that information Army-wide distribution, so all of our commanders gain the benefit of it.

#### HISTORICAL UNIT, ARMY MEDICAL SERVICES

Mr. MAHON. Could you tell us about the composition of the historical unit, the Army Medical Service, which apparently is now something in excess of 60 persons, although it existed originally on a much smaller scale?

General RICHARDSON. I have a fact sheet on this, if I may read it, and then the Surgeon General will testify later in the O. & M. hearings, if I haven't satisfied your question, Mr. Chairman.

The Historical Unit of the Army Medical Service is a class II activity of the Surgeon General and functions under the direct operational control of the Surgeon General. Lateral coordination and liaison is maintained on a constant and informal basis with the office of the Chief of Military History, Department of the Army. The medical historical program is listed as a part of the Army historical program. The Historical Unit is responsible for the preparation of the following:

(a) The official history of the U.S. Army——

Mr. MAHON. You may insert the rest of that in the record.

Can you explain in simple terms or can someone here explain without reading why this has increased in scope and size?

General RICHARDSON. I cannot answer it, but I would like to furnish it for the record.

Mr. MAHON. Supply that for the record.

(The information requested follows:)

The Historical Unit, U.S. Army Medical Service, is a class II activity of the Surgeon General, U.S. Army, and functions under the direct operational control of the Surgeon General. Lateral coordination and liaison are maintained on a constant and formal basis with Office of the Chief of Military History, Department of the Army. The U.S. Army Medical Service historical program is listed as a part of the Army historical program.

The historical Unit is responsible for preparation of the following:

(a) The official history of the U.S. Army Medical Department in World War II, the post-World War II period, the Korean conflict, and other medicomilitary historical publications.

(b) Special medicomilitary monographs, studies, and speeches relative to current and future posture, and progress of the U.S. Army Medical Service.

(c) Research, reference and archival data and source material retrieval, study, evaluation, and preparation for contributors to official publications, and for offices and agencies of the U.S. Army Medical Service, Department of the Army, and other governmental and quasi-governmental agencies throughout the United States.

The status of historical volumes produced or in production by the Historical Unit is:

(a) Volumes published.....	27
(b) Volumes now in press.....	5
(c) Volumes being edited for publication.....	5
(d) Volumes in active preparation.....	19
(e) Volumes in backlog.....	7

Personnel strength:

Authorized: 10 officers, 3 enlisted, 43 civilian; total, 56.

Actual: 9 officers, 3 enlisted, 43 civilian; total, 55.

(The above strengths do not include 600 contributors (preeminent medical authorities) who give services without fees.)

Records reflect authorized strength of historical unit for past 10 years as follows:

End strength:		End strength—Continued	
1954.....	44	1959.....	66
1955.....	44	1960.....	64
1956.....	45	1961.....	65
1957.....	53	1962.....	55
1958.....	61	1963.....	56

Increased authorization during the period 1954-59 is based upon justifiable workloads; mission increase from Korean incident; desire to expedite program permitting a greater number of volumes being concurrently in process; and to provide minimum administration, retrieval and research support to the increased number of civilian contributors furnishing their services, without charge, to the Government. Period 1959-63 reflects decrease from high of 66 based upon efforts to stabilize workload and increased productivity.

#### PAYMENT OF MILITARY ALLOTMENTS

Mr. MAHON. There are apparently three centers for the payment of military allotments. That is, allotments by military personnel are there paid for various authorized purposes. Do you have any reason to believe that it would not be more economical to establish one central location for the payment of military allotments for all services? What would be your reaction to that?

General RICHARDSON. I don't know that it would be any more efficient to have only one, no, sir. I am not sure that I am qualified to answer that question, Mr. Chairman.

Mr. MAHON. Will you discuss that with your staff and supply further comment at this point in the record?

General RICHARDSON. Yes, sir.

(The information follows:)

1. With regard to the recommendations of the U.S. General Accounting Office, the Department of the Army's position is as follows:

(a) Nonconcurrence in the consolidation of all service allotment systems at the Navy Finance Center.

(b) If established by the Secretary of Defense, the recommended policy group should be charged only with the development of policies, procedures, and programs suitable for the administration of all military allotments. Alternatively, such a mission might be assigned to the already established group now developing proposals for simplifying military pay systems.

(c) Systems studies of the allotment function by the Department of the Army will continue, with the objective of further improvement of procedures and reduction in costs.

2. The bases for the Army's position are:

(a) The U.S. GAO failed to consider the allotment function as an inseparable part of the overall military pay system which must be geared to the peculiar nature of individual service operational concepts.

(b) The U.S. GAO did not recognize the separation of tasks between field commands and finance centers in performance of the allotment functions.

(c) The cost and performance factors utilized by U.S. GAO in its report overlooked factors which permit more valid comparison of the performance of the three services.

## ARMY PERSONNEL IN NON-ARMY ASSIGNMENTS

Mr. MAHON. Will you please insert in the record at this point the usual tabulation for unclassified publication of the numbers of personnel assigned outside the Department of the Army to duties? In this connection, will you provide the committee with a table that will show precisely where these persons are assigned?

General RICHARDSON. Yes, sir.

(The information requested follows:)

*Authorized Army manpower in Office, Secretary of Defense, unified and allied commands, joint activities and MAAGS<sup>1</sup>*

Activity	Military	(Officers)	Civilians	Total military and civilian
Total.....	14,434	(6,097)	2,353	16,787
Office, Secretary of Defense.....	<sup>2</sup> 825	(676)	367	1,192
Joint Chiefs of Staff.....	373	(240)	-----	373
Unified commands.....	1,854	(933)	614	2,468
Unified agencies:				
Defense Atomic Support Agency.....	2,096	(466)	-----	2,096
Defense Communications Agency.....	628	(165)	-----	628
Defense Intelligence Agency.....	606	(352)	-----	606
Allied commands.....	2,727	(538)	55	2,782
Joint schools.....	223	(80)	835	1,058
Military Assistance Advisory Groups.....	4,949	(2,546)	482	5,431
Miscellaneous <sup>3</sup> .....	153	(101)	-----	153

<sup>1</sup> Excludes reimbursable military. Current allocation for end 3d quarter fiscal year 1964.

<sup>2</sup> Includes spaces for Defense Supply Agency and other activities.

<sup>3</sup> Includes personnel on duty with other Federal Departments and agencies.

## PUBLIC INFORMATION ACTIVITIES

Mr. MAHON. There would appear to be a number of personnel engaged in information activities. One of the purposes of the committee some years ago in setting a limitation was to restrict the ever-increasing activities of the military departments in the area of public information. How many Army personnel are presently engaged in public information activities?

General RICHARDSON. I don't have that information with me, Mr. Chairman. I would be happy to furnish it for the record.

Mr. MAHON. Give us an appropriate amplification of the information.

General RICHARDSON. Yes, sir.

(The information requested follows:)

There are approximately 121 individuals, military and civilian combined, performing full-time equivalents in strictly public information activities in the Army. There are other individuals classified as information personnel who are engaged in such activities as community relations, troop information, history, and the like, who are not included in the above total. "Public information activities" are considered to be those as generally defined below:

A person engaged in public relation or publicity activities including preparation of material for newspapers, periodicals, and other non-Federal publications; distributing press releases and interviewing representatives of the press; preparation of material for broadcasting purposes and contacts with broadcasting representatives; preparation of advertisements (whether paid or free) except advertising relating to the acquisition or disposal of Government property or relating to the health and safety of Government employees or the protection of Government property; preparation, installation, and circulation of exhibits; production of motion pictures and film strips except those for internal use in the Government; and preparation of publications neither required by law nor issued primarily for

internal use within the Government (this will exclude those publications which might be considered as condensations of publications required by law).

It is pointed out that the statistics furnished herein are estimates only, based on best experience factors available. It must be recognized that through fiscal year 1959, DA maintained accounting records of the personnel engaged in public information activities together with related costs. No such records have been maintained since that time, since there was no requirement for such data. Accordingly, the figures above were obtained as follows:

The 59 statistics were extended by:

(a) Allowing for increase in information personnel (factored to include non-public information functions) resulting from increase in overall size of Army since 1959.

(b) Including appropriate personnel of the U.S. Army exhibit unit.

#### MILITARY PERSONNEL IN CLERICAL FISCAL TASKS

Mr. MAHON. Sometime ago the General Accounting Office discovered that there were substantial amounts of taxable income erroneously not reported and conversely taxes withheld from the pay of military personnel erroneously. These things were identified as primarily the failure of clerical personnel to perform assigned tasks. This raised the question of the extent to which military personnel are indoctrinated in this type of detailed activity, and, again, the question of whether or not this is a field in which military personnel should be trained.

General RICHARDSON. I have a fact sheet here which I can put in the record if I may just answer it broadly for the time being.

Mr. MAHON. Yes.

General RICHARDSON. So far as military personnel being trained to do this duty is concerned, yes, sir, because this is done down in our personnel sections and the finance sections of our units. There are tactical units and they must be military personnel to go to the field with the units. On posts, camps, and stations, where it is a steady concern, in general we use civilian personnel there, but in our tactical units we must go ahead and use military personnel.

(The information requested follows:)

Attention has been directed to the training and assignment of personnel to gain improved competence and assignment stability in finance related functions. Instruction is being given by Department of the Army personnel management teams with assistance of Chief of Finance.

Department of the Army military personnel management teams are conducting survey and instructional projects for organizations to improve the overall effectiveness in administration related to pay.

A modification of the military pay system within the Army has been drawn which involves transfer to finance offices of the military pay function now performed by the unit personnel officers. This modification is currently being tested at Fort Meade, Md., and the test is scheduled to continue during 1964 at Fort Lewis, Wash.; Fort Knox, Ky.; and Fort Riley, Kans.

#### IMPROPER UTILIZATION OF TRAINED PERSONNEL

Mr. MAHON. I am told the GAO is about to issue a report on the improper utilization of trained military personnel. Are you familiar with that?

This report gets at some basic problems with respect to the assignment of Army personnel. What is the present situation with respect to a commander's authority in the field at an installation when a qualified, trained person arrives as a result of need at the installation? In other words, if the commander at camp so-and-so needs 12 cooks.

are the first 12 people to arrive at his gate put to work as cooks, without regard to prior training, or is it somewhat like that?

General RICHARDSON. No, sir; the first 12 who arrive will not be put to duty as cooks. We have a system by which the company commander may requisition the type personnel he needs, and through our Office of Personnel Operations we supply him that type personnel. If we are unable to supply the specific requirement that he has asked for, the commander does have the authority, if the job is of a higher priority than some other, to take a man and, by on-the-job training, train him to fill that requirement. But this would not necessarily mean he would take the first 12.

Mr. FLOOD. Mr. Chairman, that is a good place for this question: I have been concerned with matters of transfers. This is a good place to ask you this: What is the value, and what attention do you pay, and what is the purpose of, second and third MOS's? A man's first MOS is a given job and the job description is so-and-so. Then he has a second MOS. As far as I have been able to find out, since the War between the States, nobody ever paid any attention to that at all. Why not?

In connection with Mr. Mahon's question, Why would you job train a truckdriver to be a cook when you probably have a dozen MOS No. 2's around there who are MOS cooks No. 2?

General RICHARDSON. We wouldn't, Mr. Flood, if the man wasn't doing a more important job than his primary MOS.

Mr. FLOOD. I am for that.

General RICHARDSON. In my statement you may recall I said we were going to start testing in secondary MOS's. Our effort is to assign them first in their primary MOS. This is the thing they are presumably best trained in. If a commander needs a man in other areas and he has a second or third MOS in this area, and we can afford to take him from his primary MOS and put him in there, he has the authority to do it.

#### SECOND MILITARY OCCUPATIONAL SPECIALTY

Mr. FLOOD. My spies tell me that the No. 2 MOS is merely semantics and it is on the TOE, and that is all. If you ask for a transfer in your No. 1 MOS and you can't find a slot in the corps area you want to go into, if you think that No. 2 MOS is going to help you, you are out of your mind. It means nothing.

General RICHARDSON. We do oftentime have to assign people by their second MOS because we don't have enough in the primary MOS.

Mr. FLOOD. At this point in the record, at your convenience, will you have somebody develop the significance of any of the second and third MOS's, or is it just a fake, just something some personnel joker thought up?

General RICHARDSON. I will be glad to do that.

Mr. MAHON. If there is any regulation or statement or directive which tends to produce the procedure which Mr. Flood has indicated, I wish you would describe it at this point.

General RICHARDSON. Well, yes, sir; we will be happy to do that. (The information requested follows:)

The Department of the Army makes a very definite use of the secondary MOS. In the selection of personnel for reassignment, consideration is first given

to an individual's primary MOS. However, when an individual having the required primary MOS is not available, consideration is then given to the secondary, or any additional MOS that the individual possesses. Since secondary MOS's are not at this time verified, a determination is made as to the validity of the secondary MOS either from records available at Department of the Army—as in the case of the grades E-7, E-8, E-9, or by questioning the individual's unit—as in the case of the lower enlisted grades. Beginning in May of this year, a program will be initiated whereby all active Army personnel will be tested in their secondary MOS, and 1 year later, in any additional MOS's. With the verification of the secondary MOS's an even greater use of these MOS's will be made in determining assignments.

Below the Department of the Army level and at the unit level, the secondary MOS is used even more extensively. It is at this level that a unit commander often places a man in a position calling for his secondary MOS and can determine his qualifications, or lack of qualifications for the MOS.

Army Regulations No. 611-203 provide detailed instructions on classification and utilization of personnel in secondary MOS. Army Regulations No. 611-205, now being revised, outline policies on evaluation and testing of soldiers in secondary and additional MOS.

Mr. MAHON. This General Accounting Office report to Congress contains a number of examples, some less horrible than others. For example, Fort Leavenworth, Kans. A man had been trained for aircraft maintenance for 13 weeks. His duty assignment, though, turned out to be clerk-typist.

Then a man who had 13 weeks in aircraft maintenance training was assigned as a military policeman. A man at Fort Leavenworth had been trained for 20 weeks as a radar repairman, but he turned out being assigned, not to radar, but to data processing. There is some kinship between those two I would presume.

We have examples at Fort Belvoir, and Fort Devens and Fort Huachuca, Fort Sill, and other places.

Now, this is nothing new. These kinds of examples have been presented in correspondence to Members of Congress and in reports and so forth for a long time, but these abuses continue to exist.

Is it inevitable that it be so? Can something be done about it?

General RICHARDSON. We are attempting to do something about it. I would say we will never have it 100 percent.

Mr. MAHON. That is a good, safe answer, but are you making any progress?

General RICHARDSON. To pin it down to specifics, I can't say that we are; no, sir.

Mr. OSTERTAG. Will the chairman yield there?

Mr. MAHON. Yes.

#### ACCURACY OF ASSIGNMENTS

Mr. OSTERTAG. It seems to me, General, in the administration of military personnel in the Army that this is basically a matter of commonsense and it seems to me that the Army ought to be efficient enough to apply the rule of commonsense without any great difficulty. And yet you concede that you never can reach a factor, or a basis whereby that commonsense would be applied.

General RICHARDSON. As we check these GAO reports and where, from this level, sometimes it appears that there was an error made, and you get right down to the specific case, there was logic and commonsense supplied by the unit commander for what he did do. We must reply that we rely on their judgment as to how they use the men

who are made available to them. But I agree with you, this should be a commonsense approach, and this is what we work on.

Mr. MAHON. We are talking about examples here, of misassignment. I assume that with all your calculating machines and data processing gadgets you wouldn't be able to say, percentagewise, the number of good assignments as related to the number of bad assignments?

General RICHARDSON. No, sir; I don't think we could come up with a percentage.

Mr. MAHON. Do you think, generally speaking, the assignments are fairly reasonable?

General RICHARDSON. I would say 95 percent of the cases are accurate assignments, and they follow the pattern of what they are supposed to be.

Mr. ANDREWS. Will the chairman yield?

Mr. MAHON. Yes.

#### REASSIGNMENT IN THE FIELD

Mr. ANDREWS. General Richardson, assuming a young man feels that his talents are misused and he goes to his commanding officer and requests that he be transferred into a different duty, as a general rule, what would happen?

General RICHARDSON. If there were a vacancy for him and he could be better employed, he would be transferred.

Mr. ANDREWS. By the local commander?

General RICHARDSON. Yes, sir.

Mr. ANDREWS. In the event of his failure to transfer, what would he do?

General RICHARDSON. He would report him excess for assignment to some other area.

Mr. ANDREWS. The local commander would do that?

General RICHARDSON. Reporting to the next higher headquarters. The next higher headquarters would take care of it, if they could. It may come clear on up to the Department of the Army before it was satisfied.

Mr. ANDREWS. But chances are, under local rules and regulations, the local commander would make him happy? That is what you want to do?

General RICHARDSON. Yes, sir.

Mr. ANDREWS. You have him doing what—doing one thing, and you don't think he is qualified to do it, but he is qualified to do another thing, then you have an unhappy soldier, and he might write his Congressman eventually?

General RICHARDSON. Yes, sir.

Mr. WHITTEN. Will the chairman yield to me?

Mr. MAHON. Mr. Whitten.

Mr. WHITTEN. In that connection, I don't know anything about it, but so many of these things can be traced back to some minor problem. We are discussing this military personnel, here. These boys who are assigned, say, to one of these forts, does his folder or his file carry any of the special training so that the commanding officer has before him when the man reports, the soldier's background, qualifications, and so forth?

General RICHARDSON. Yes, sir.

Mr. WHITTEN. That being true, how can you leave the commanding officer free of guilt when he misuses somebody like this, when the file clearly shows he is absolutely failing to take advantage of the investment? If this information was before the commanding officer who gave the assignment at that point, how can you fail to give a black mark to the commanding officer who did that?

General RICHARDSON. This, of course, depends on the circumstances in the unit at the time that it happened.

Mr. WHITTEN. What is going to be done with these cases now that they are called to our attention?

General RICHARDSON. If, after investigation in the field we find that they have made mistakes, we will—

Mr. WHITTEN. Do you mean you are going to check to see whether the GAO is correct?

General RICHARDSON. That's right, sir.

Mr. WHITTEN. Let's say you find it is correct and I suspect you will, what is your recourse against that commanding officer who made the mistake? What actions will you take, if any?

General RICHARDSON. We would report down through channels that an error had been made in the assignment.

Mr. WHITTEN. Now, how many layers are there between you and that fellow down there in the field? If you follow all the channels, sometimes the war could be over before it gets to you. How many channels are there between you and that fellow running that little station down there?

General RICHARDSON. I will take Fort Sill as an example; there are two.

Mr. WHITTEN. Why would you have to go through channels?

General RICHARDSON. Again, the intervening commanders gain some experience from this. It invites their attention to things that are being done wrong that they can check on within their units and help correct.

Mr. WHITTEN. Wouldn't it be better for you to go ahead and direct correction? Wouldn't that be better than to give them a chance to slow it down?

General RICHARDSON. I don't think they will slow it down.

Mr. WHITTEN. How long will it take you to correct this? If you take these specific cases, what is your experience, or have you had any?

General RICHARDSON. I can't answer.

Mr. WHITTEN. Have you corrected any in times past, and how did you go about it; how long did it take you?

General RICHARDSON. I would have to look that up and furnish it.

Mr. WHITTEN. You don't recall correcting a single instance in your tour of duty in your position, do you, where you have corrected a single instance of this sort? You don't recall it?

General RICHARDSON. No, sir.

Mr. MAHON. General, how long have you been in your present assignment?

General RICHARDSON. I came in in April of last year, sir.

#### ROTATION POLICIES AFFECTING ASSIGNMENTS

Mr. MAHON. General Maroun, can you speak to this question?

General MAROUN. Yes, Mr. Chairman.

First, in the GAO report, we are talking about, and remembering there are some 860,000 enlisted men in the Army, the GAO in this report, as I recall, came up with the finding of 760 cases out of 18,600 surveyed. Based on that sampling—and this is in the Continental Army Command—they assumed there would be almost 35,000 mis-assigned, trained enlisted men. I think this is a little contrary to the opinion which the committee probably has that this situation is wholesale. Even this report shows that out of 860,000, they are projected to 35,000 not assigned in their MOS's.

Now, there are also things beyond the Continental Army Command's control which force the unit commander to either retrain an enlisted man in another MOS besides his primary MOS or to utilize him in other than his MOS.

For example, CONARC, which we are talking about in this case—the Continental Army Command—must absorb the great majority of enlisted men who return from oversea assignment, regardless of MOS. When they come home to be separated from the Army, or for other reasons, regardless of MOS's, CONARC must accept these returnees.

The variance in the MOS requirements between CONARC and the oversea commands is considerable. The oversea commands have their missions, and except for the Strategic Army Forces, CONARC is oriented differently; different from those in, say, Korea, where there are mostly fighting forces and people of that nature, so you would have an imbalance, so to speak, of MOS's.

U.S. CONARC must absorb most of the worldwide MOS enlisted overages and shortages, because, in order to keep up Korea and Vietnam—and within CONARC, the 11th Air Assault Division—every effort is made to give them priority in the MOS's which leaves somebody, so to speak, on the low end of the totem pole. He may be forced to put whatever man he has in it.

I can remember as a company commander that I had to make a mess sergeant out of a stable sergeant. The reason was the stable sergeant went out of the TOE and we needed no more stable sergeants. I couldn't find a good mess sergeant; although the MOS said he was a good mess sergeant, the one I had was no good.

If you try to use some commonsense and put the best man in to do the job, that is what happens.

I think some of the things we are talking about are what I would call a paper thing. The MOS may show it, but the man is not qualified, or he is not available.

We have certain underprogramed requirements. For example, as you will recall, Mr. Chairman, I think it was either 2 or 3 years ago when Vietnam got hot, the Army was suddenly ordered, with very little notice, to send several thousand additional personnel there. I think this is a matter of record. In doing that, somebody had to be uprooted and levies had to be placed on these people. So you just went and said, "We levy you for  $x$  number of MOS's of this and  $x$  of that." You try to shift your load to meet the weight, so to speak. So this is what happens. So naturally the fellow who is left there is going to be out of balance.

#### PROCEDURE FOLLOWED IN MAKING ASSIGNMENTS

Mr. SIKES. Mr. Chairman, this record is going to make more sense if someone will at this time briefly sketch the procedure which is fol-

lowed in making assignments. Why is a man assigned, how is he assigned, and how is he selected? If we could just have that in 1, 2, 3 order, it will help this record in continuity.

(The information requested appears on p. 37.)

Mr. WHITTEN. Could the gentleman add to it what he can do to get a review and so forth?

Mr. ANDREWS. That is requested. I asked General Richardson to tell what the man could do if he thought he was misassigned.

Without attempting to polish the Army, I believe the Army has been very, very helpful in the few times I have called their attention to the misplacement of a man.

Mr. MAHON. General Maroun was making a good statement here. Have you completed?

General MAROUN. No, sir; I have not.

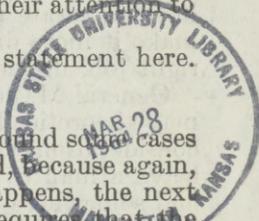
If I can now go to the GAO report, they obviously found some cases that were off base, and they obviously will be corrected, because again, from my own personal experience, as soon as this happens, the next higher echelon gets these reports and immediately requires that the responsible people straighten it out. In those cases beyond the commander's control, naturally, the higher headquarters takes that into consideration, so a man will not be punished unjustly.

The Army does put out controls and we are particularly concerned about school-trained people. We put out a list of overages and shortages in MOS's. For example—and this is a hypothetical case—let's say in your training projections, you produce too many cooks, either because you reorganized for other things and you are left over with them, or in predicting a year and a half ahead. You just weren't that good with the crystal ball. The list will be published that you have this number of cooks, you have this number of airplane mechanics, and so on.

Those MOS's that are short, the field knows. Those that are over, they know. The commanders are enjoined, then, to transfer, as best they can, a retrained person from a surplus MOS into the one in which they are deficient. Regulations are put out on these procedures explaining the control exercised by the Department of the Army. To see that this is implemented, the Department of the Army has teams that are sent out from the Office of Personnel Operations, and these teams check the system. Also, the inspector general makes checks, and it has helped that the General Accounting Office has found some cases; and that you gentlemen and other Congressmen have found some cases. These will come to the commander's attention.

We are vitally concerned about this, because these few cases—and I think these are a few—tend to give us a black eye, which I think is really undeserved, considering the amount of effort that is put in.

Now, the last thing I want to say is that the Chief of Staff is in this position: If he takes away from the commander his right or prerogative or privilege to change MOS's, he is going to end up with an outfit, in some cases, that he didn't intend to have, because the commander can use no flexibility and no commonsense. So in summary, we do have a system geared to the operations of the Army, geared to the overseas assignment, geared to 2-year inductees—in other words, to the best of our ability, we do have controls within the system. We do try to give the commander who is going to have to fight the battle the control and flexibility he needs. If I were in Vietnam or



Korea, I am certainly not going to have the wrong man up there shooting a weapon if I can help it, if my life is at stake. So we do this, and the commanders on the ground I am sure are very conscientious, from my own experience. This is the picture I would like to paint on this, Mr. Chairman.

Mr. MAHON. You have done a good job of making this a little more understandable to us. Now, let me ask you this: To what extent did the fact that you have people in the service for such a short time—maybe a 2-year period—to what extent is the fact that you have to rotate personnel, to what extent do these and other factors make it more difficult for you to have the right man trained for the right job, in the right slot, at the right time?

General MAROUN. It makes it difficult to this extent: Although you may theoretically have the right number of men trained, because of considerations such as Korea being only a 13 months' tour—we don't leave a man over there longer than that; and the ZI is for 3 years and somewhere else is only 1 year—and having to bring a man home at the end of his tour will cause a replacement to go overseas. The replacements have to come from the ZI area. Those people are in fact levied. Actually, the Department of the Army goes through the machine and the man who best fits the qualification is chosen. He is assigned directly by name over there, according to his qualifications.

#### MANNING DOCUMENTS

Mr. FLOOD. General, that was a good statement you just made in answer to Mr. Mahon, but here is a problem that comes in: There is terminology in your procedure known as a "manning document." That is at your level here in the white tower in Washington.

General MAROUN. That is correct, sir.

Mr. FLOOD. The command going down affects master sergeants and so forth, on down the line. If the manning document says, "This is the TOE for master sergeants in that theater up until July 1, 1964," though the heavens fall, nothing will happen in those slots until July 1, 1964, including an invasion. That is very, very bad. They send it up from the field, everybody wants this guy, the generals and the admirals and everybody. Do you think they will get him until July 1, 1964, if your manning document says, "No"?

General MAROUN. I respectfully say, in part, I disagree with the statement. If you are talking about a certain person wanting a certain person ahead of time, they have gotten them ahead of time and we do have an Office of Personnel Operations where people can write directly on these things, as General Richardson has said.

From the Department of the Army's point of view, sometimes when you have to shift a man from one spot to the other you also have to consider what you might do to the losing unit.

Mr. FLOOD. I am talking about an open-end slot, now. The man sits there for 3 and 4 months because they can't move him into that slot because the manning document says you can't do it.

General MAROUN. The table of organization and equipment puts him in there. Then the commanding officer has a right to come in and make his point to get it changed, and these tables have been changed in the past. It would cause some sort of confusion if you had one rifle company or one unit with one TOE and a similar unit somewhere else

with a different one, at the time. I am sure exceptions can be made, Mr. Flood.

Mr. SIKES. It will be useful if we may have for the record briefly a summary report of the procedures used in making transfers from one area to another.

Now, Mr. Chairman, it seems to me we are all missing the boat in talking about this man who was sent to Korea and trained to be an airplane mechanic and found himself assigned as a lifeguard. I think a question more to the point would be, what is this man doing in Korea in that slot, why was a man who is going to be excess to the requirements for airplane mechanics sent to that particular station initially for? That seems to me to be the point at issue. Once you have a man, you are supposed to do something with him, not just let him sit and draw his pay.

Mr. FLOOD. And besides that, Mr. Sikes, could he swim, anyhow?

#### ESTABLISHMENT OF REQUIREMENTS AND ASSIGNMENT PROCEDURES

Mr. SIKES. What is he doing there in an area where he is excess to the requirements? That is what I am trying to get at by asking for this résumé of procedure.

Mr. MAHON. All right, provide that, will you, for the record? (The information requested, follows:)

Within the Headquarters, Department of the Army, we have individuals who continually work on developing the long-range MOS requirements based on the programmed troop structure of the Army.

Concurrent with this, there are other individuals who are primarily concerned with shorter range planning. They determine when it is necessary to make immediate changes in training programs based on changes to the programmed troop structure, lack of sufficient output from training to meet critical needs, changes in Army weapons system and hardware, necessitating the acquisitions of new skills not anticipated in the long-range planning and the diversion of enlisted personnel from one type of training into some other, more urgently needed.

Individuals within the Department's headquarters receive and validate the worldwide personnel requirements of the Army. They determine what personnel resources are available for distribution and then equitably allocate the available resources against validated requirements within existing priorities.

Requirements are received at Headquarters, Department of the Army in two ways: The first is by means of a monthly reporting system originating within each of the major commands subordinate to the Department. The second means is by manual requisitions that are utilized by the miscellaneous activities such as joint headquarters, military assistance advisory groups, missions, attachés, etc.

Personnel resources are received from several sources. Reports are received of the total number of individuals expected to complete advanced training or Army service schools during the same month for which requirements have been determined. Reports are also received of the number of enlisted personnel presently assigned to units and installations in the United States who are eligible for assignment overseas and reports on those personnel presently overseas who will be rotating to this country and thus eligible for assignments to units based in the United States. Selection is made of enlisted personnel with proper secondary MOS when requirements cannot be filled with personnel possessing the required primary MOS.

#### ASSIGNMENT OF PERSONNEL INTO TRAINING

Annual training requirements for each military occupational specialty (MOS) are established by Department of the Army based upon projected yearend strength of the Army. Headquarters, USCONARC is charged with the responsibility for the conduct of training and the procurement of personnel for input into training. After the trainees arrive at the training facility it then becomes the

responsibility of the Office of Personnel Operations (OPO) to effect the assignment of individuals into their MOS training. The assignment of personnel into MOS training is based upon qualification data reported on each trainee by the training activities, available training quotas which were provided by Headquarters, USCONARC, and priorities established by OPO based upon the worldwide strength of the various MOS's. Every effort is made to assign the trainee to the highest level of skill commensurate with his aptitudes and the needs of the Army. In addition to the assignment of personnel into training, a program for selection of personnel for assignment directly to units based upon a civilian acquired skill or education is also operated by OPO. OPO screens the quality data reported on all trainees entering basic training and selects those individuals with education or skills which are compatible with an Army MOS for assignment directly to a unit without AIT. A tremendous saving in training time is accomplished by this program in addition to the favorable impact upon morale of EM assigned to Army skills comparable to their civilian training. After the individuals have been selected for input to training, it then becomes necessary to effect assignment of training graduates to Active Army units.

#### ASSIGNMENT OF SOLDIERS IN GRADES E-6 AND BELOW

The assignment of soldiers in grades E-6 and below is made by the Department of the Army on a by-name basis whenever they are moved as individuals and not part of an organized unit.

The procedure for assignment to a unit commences with a soldier being reported to the DA by name, rank, and serial number along with as many as 25 other items of qualification information. This report occurs as he is about to become eligible for reassignment from a training camp, from an MOS producing school, after hospitalization, after having been in a CONUS unit for a specified period of time, or after having served a specified period of time in an oversea area.

In all instances, except one, the numbers of soldiers eligible for reassignment are forecasted and a tentative bulk allocation by MOS and grade is made to the gaining commanders. In this bulk allocation, no names are included, only job skills and ranks. In response to this tentative allocation, the eventual gaining commander returns to the DA an assignment request which indicates that a job will be open for a soldier in a given MOS and grade, in a certain unit, at a certain time. After the soldiers eligible for reassignment have been reported, the DA takes action to reassign these soldiers by name, into those position openings which were furnished by the gaining commanders.

The one exception referred to above is in the case of soldiers going overseas, after having served in a CONUS unit. These men are selected by DA to fill oversea requirements, allocated by name to the oversea gaining commander who designates the unit to which each man will be reassigned.

In addition to the routine procedure explained in the foregoing, the DA introduces additional screening for soldiers being assigned to MAAG's, missions, and the international headquarters. A check is made of the soldier's record which is on file at the DA and a query is made of the soldier's current commander for a final check to assure the man is qualified for the contemplated assignment.

#### SENIOR AND SPECIAL CATEGORY ASSIGNMENT PROCEDURES

Within Department of the Army separate assignment procedures have been established for senior grade enlisted personnel; those serving in grade E-7 through E-9, and special category personnel such as special forces, scientific and engineering, etc.

By name record information is maintained on each senior grade and special category individual. It contains the individual's primary MOS, secondary MOS, physical status, language qualifications, security clearance, and other pertinent data. The record data is arranged by primary MOS and grade and for those in CONUS according to their date of return from last oversea assignment, and for those in oversea areas, according to their scheduled date to return to CONUS.

Worldwide requisitions for enlisted replacements are received in Department of the Army the 2d of each month (7 months in advance for oversea commands and 5 months for CONUS commands). Each positions vacancy on a requisition is compared with personnel available as shown in our record information. As a requisition requirement is being filled, the qualifications of the individual according to his primary MOS is reviewed. When an individual with the required primary MOS is not available, individuals who possess a secondary or duty MOS are reclassified and reassigned in their secondary MOS.

The records of two or three individuals are screened in order to select the best qualified individual available for the requirement. Usually the individual who has been in CONUS the longest period of time is applied against the requirement. However, before the final selection is made, all of the specific job requirements and items of personnel data on the proposed incumbent, i.e., language fluency, physical condition, is thoroughly checked. The expiration of term of service does not enter into the senior enlisted selection process inasmuch as it is assumed these individuals will continue in service.

In addition to fill of routine oversea requisitions, frequently requisitions from MAAG or missions, i.e., Vietnam, include instructions for special training of the replacement. In these cases, record information must be checked to insure selection of an individual who meets the prerequisites for the training.

For continental U.S. requisitions, the bulk of personnel come from oversea returnees. Returnees are reported to DA 6 months in advance of the individuals' return. As in the case of personnel going overseas, the record information on each returnee is reviewed and the best-qualified individual is selected to fill the requirement. Also, each individual is encouraged to submit an enlisted preference statement to Department of the Army 7 months prior to his return. Preferences are reviewed as assignments are made and every effort is made to honor them consistent with meeting operational requirements.

#### MOS IMBALANCE AND SURPLUS PERSONNEL

Although our procedures take care of the day-to-day assignments, we are faced with problems that result in an MOS being imbalanced or surplus to a particular command's needs.

For example, a number of men returning each month from overseas hold specialties for which there is a need overseas but no comparable need in CONUS. In some instances no need may exist for a particular MOS at any CONUS installation. Of necessity, these men must be assigned to an installation for duty in their secondary MOS, or for duty in the closest related field for which they may be expected to perform. Moreover, because of changes in weapons systems, reorganizations, activations and inactivations of units, overages and shortages of enlisted personnel, and their skills are created. Personnel rendered surplus and who cannot be reassigned by intermediate headquarters are reported to the Department of the Army for disposition. In this regard, revised procedures have resulted in an all-time low of 600 surplus personnel reported in January 1964 (reports rendered as of the 15th of the month) for Department of the Army action.

#### PRACTICAL REALITIES

The above policies and procedures are, of course, affected by certain practical realities. There are approximately 860,000 enlisted persons in the Army, of which 40 percent are overseas. Eight different oversea tours range in length from 12 to 36 months. We have soldiers in almost 100 foreign countries. In the past 6 months the assignment of personnel from the continental United States to oversea areas has averaged about 17,000 men per month. We lose about 25 percent of our enlisted men each year, and each man who goes out must be replaced by a new man who requires some kind of training before he can be assigned to an operational unit of the Army. In fiscal year 1964 we will probably bring in 270,000 non-prior-service men.

Mr. OSTERTAG. In supplementing what Mr. Sikes says, I think what we have in mind, or what you should have in mind, is that here you have an establishment of several million men and women. Even though a great percentage of your personnel is obtained through selective service or otherwise—reenlistments—and in view of the fact that there are training programs and that many of these people have prior training or prior vocations, it seems to me that the Army should, as a basic objective, endeavor to achieve efficiency and results by virtue of applying maximum qualifications. This whole question of assignments and allocations is mismanaged by virtue of the fact that you follow certain procedures which stand in the way of assigning the right man to the right place all the time. Am I somewhat correct in my statement?

General RICHARDSON. Yes, sir; I think so.

Mr. OSTERTAG. The question is, How can you improve or do a better job?

Mr. SIKES. Let me finish my question I started a moment ago.

What do you think, General Richardson, is at fault? We want to correct this problem. What do you think is at fault that would cause men to be sent to an area when they are in excess of the requirements for men with particular skills in that area?

General RICHARDSON. This is a question of requirements versus availability. In an oversea area this certainly should not happen. They should not request men over and above their requirements. Within the ZI, it may happen because a man has returned from overseas and we assign him to an area where he can be used but may be excess to the requirement at that particular time. He is reported as excess then, and if we can correct it, we certainly do. But based on our authorized strength and based on the commander's requirements, we authorize them so many personnel. From their TOE, they indicate by requisition the type individuals they want. From overseas they get these requisitions in 7 months before a man is actively required on station. That requisition comes to the Office of Personnel Operations, which then goes through its files in order to select the man to fill that assignment overseas.

He, of course, must come from some unit within the Zone of Interior. He is placed on orders and this generates a requirement for that CONUS unit. The requisitions for CONUS units come in 5 months before they need the men. Then the Office of Personnel Operations matches the CONUS requirements with what we have returning from overseas at the completion of a tour, and then assign the returning people to fit the requirements within the continental United States.

Mr. FLOOD. Mr. Chairman, I have a question which is even more fundamental than that and goes beyond just the Deputy Chief of Staff. This goes to the Chief of Staff level. What is the Army trying to do with personnel? What kind of an army are you trying to train? What are you doing with people? Are you trying to train them to be jacks of all trades and masters of none? A good, old-fashioned rounded soldier who can do anything? Or in this modern army where you have to have a Ph. D. to run a rifle platoon are you going to make them all specialists?

Let's go back to fundamentals of football: What kind of soldier is the U.S. Army training for the next 3 years? I don't know.

General RICHARDSON. We are training our soldiers so that the Army—

Mr. FLOOD. If you have the answer to that, you will get the answer to 90 percent of what we are talking about this morning. What are you trying to prove?

Mr. OSTERTAG. That is what I was getting at.

Mr. MAHON. Let's bring this discussion on this issue to a close and get on with something else.

Mr. FLOOD. I would like one sentence on this.

Mr. MAHON. This is a fundamental question which Mr. Flood has asked. Can anybody in your group give us a good answer to that question?

General TAYLOR. I would like to take a crack at that, sir.

Less than a year ago, I was a division commander in Germany. My mission was very simple. It was to have a division that was prepared to fight in the shortest possible time, and to fight extremely well.

To that end, I made the best possible use I could of the people that were given to me. General Richardson mentioned 95 percent, perhaps, being in their correct assignments. I think my average was better than that.

Now, you do have cases in any one company—when you get down to the company commander's level, and that is where people, really, in the final analysis have to be managed—the commander has an infantry company, for example, and he has roughly 200 men. He has problems daily with some of his people. He has a man who has a particular MOS and is trained as a cook. For some reason the man likes German beer a little too much, or he is not performing well as a cook, and the mess sergeant has reached the point where he no longer wants him in his kitchen. So that man must be utilized somewhere else. Perhaps we then send this man out and make a truckdriver out of him.

We have to have another man immediately available for replacement. This is a judgment case that takes place right there by the company commander.

In order to make sure that we have company commanders who maintain their balance, we have the battalion commander who comes around periodically and checks. We also have teams that go around and check to see whether people are in their proper slots. I do not want to extend the statement, sir, but I do think that the U.S. Army is doing a very fine job down at the troop level in managing their people.

We do have problems. For example, take an MOS like a radar specialist. Perhaps you have authorized in a division 40 soldiers MOS's as radar specialists. You have 38 of those spaces filled. But you have over here in another technical area, some spaces that are, perhaps, only 30 or 40 percent filled. It may be much more important for a period of time, until you get your proper replacements, to use the radar specialist in this other area. Perhaps, then, he becomes very proficient in that job and his MOS through a regular formalized procedure is then changed.

There are all sorts of illustrations of this nature. We have a young airplane mechanic who is trained and is a very fine man and is doing very well. An NCO vacancy becomes available where he can get a promotion, and so he is taken out of being an airplane mechanic by the company commander and put up where he can become a sergeant, whereas you could keep him in a particular technical slot for another year. So you do have in the final analysis—personal management which has to be done at lower levels.

Insofar as supplying critical MOS's to combat units is concerned except for some critical areas, such as our aircraft mechanics, which has been a difficult one, and Vietnam, I am sure, is the primary reason for that—but as a general rule, we do make very fine utilization of our people in the MOS's in which they were trained.

## MORE ARMY MISASSIGNMENT COMPLAINTS

Mr. MAHON. Gentlemen, you may amplify your statements in any way you desire. Let me ask you also to explain for the record why it is we probably have considerably more complaint in this field with respect to the Army than we do with respect to the Navy and the Air Force? Perhaps you wouldn't agree with me, but I believe the complaints regarding misassignment are greater with respect to the Army than in the other services. Will you supply us some comment on that?

General RICHARDSON. Yes, sir.  
(The information requested follows:)

No statistics are available to the Army on whether more complaints of malassignment are received by Members of Congress from Army personnel than from the other services. If this is the case, it is believed to be due to the following contributing causes of dissatisfaction which lead personnel to air their complaints:

(1) The Army is the only service using enlisted obligatory service personnel (draftees).

(2) Many Army personnel are deployed to oversea theaters in combat units which have a requirement for a high degree of combat readiness and under severe conditions of training and climate.

(3) Many Army personnel are deployed to areas where dependents are not authorized to accompany them.

All alleged cases of malassignment are thoroughly investigated at all echelons of command.

RESPONSE TO ALLEGATION OF IMPROPER UTILIZATION OF TRAINED PERSONNEL

Mr. MAHON. Going back to the GAO report, we find the following:

Findings, conclusions, and recommendations:

The Government has expended an estimated \$48.7 million to unnecessarily train Army enlisted personnel currently on active duty, because skilled enlisted personnel are not utilized in duties commensurate with their military and civilian training and/or experience.

We have estimated nearly 35,000 trained enlisted personnel are misassigned throughout the Army because of a personnel management system that generates misassignments as a result of previous instances of mismanagement.

Although it was impossible for us to determine where or when the initial improper assignment occurred, we were able to identify the primary deficiencies of the Army's personnel system.

This report of findings continues, here. This is a pretty serious indictment.

Now, the Secretary of the Army and the Chief of Staff of the Army and Mr. McNamara and a lot of other people are talking about efficiency. Congress is interested in saving money. President Johnson is saying that we have to pursue a program of frugality and efficiency, and yet we have this estimate of a \$48 million waste; \$48 million multiplied many times over adds up to a very considerable amount of money.

Now, it seems to me we ought to have a better explanation of this than we have received. Will you try to bring the loose ends together and give us a further statement at this point?

(The information requested follows:)

Concerning the chairman's comments on the GAO reports of allegedly improper utilization of trained enlisted men in the Army, the following insert is provided:

The GAO draft report on utilization of trained enlisted men within the Department of the Army is based on the commonsense premise that personnel should be assigned to take maximum advantage of their training and experience. This is an objective for which the Army has long been striving; policies have been promul-

gated to attain that goal; machinery exists and is being utilized to minimize the improper use of personnel; a constant and comprehensive review of the operation of the personnel utilization system is made by personnel management teams, Army Audit Agency, and command level inspector general teams. However, the Army's progress toward the attainment of the goal is impeded by several factors. There is the need to meet the ever-changing requirements of the Army's missions and its weaponry and to compensate for the personnel turbulence brought about by the required to and from movement of 40 percent of its strength overseas and the annual loss through separations of one-fourth of its enlisted personnel.

With reference to the number of alleged misassignments, the GAO report estimates, based on 760 alleged misassignments out of 18,600 records screened, that 35,000 trained enlisted men are misassigned. Based on an approximate enlisted strength of 860,000 in the Active Army, the figure of 35,000 represents little more than a 4-percent misassignment rate. It is pointed out that the Army's personnel management teams, which operate from the Department of the Army, have already determined that during the past 4 years, only a little more than 4 percent of our enlisted men are not utilized in their primary military occupational specialty.

As explained in the testimony above, various factors will cause or require certain "misutilization assignments," particularly in the U.S. proper.

For example, the Army over the past 6 months returned from overseas an average of 6,000 men per month for reassignment (11,000 for separation). A number of these men hold specialties for which there is a need overseas but no comparable need in CONUS. In some instances, no need may exist for a particular MOS at any CONUS installation. Of necessity, these men must be assigned to an installation for duty in their secondary MOS, or for duty in the closest related field for which they may be expected perform. In this connection CONARC recently stated that they estimated 50 percent of the oversea returnees did not match their highest priority for assignment. A further consideration is the fact that the Army each year loses approximately one-fourth of its enlisted personnel through separations of one form or another, thus creating vacancies that in some instances must be filled immediately and before the arrival of a trained replacement. With this ever-changing manpower base, plus its changing requirements, the Army's record of 94.5 percent proper utilization of its enlisted strength indicates the effort which is being exerted in this direction.

As already stated, the Department of the Army cannot in any sense agree that the Government has expended an estimated \$48.7 million unnecessarily to train Army enlisted personnel currently on active duty because skilled enlisted personnel are not utilized in duties commensurate with their military or civilian training and/or experience. The report arrives at this figure by estimating that the average cost to train a man is \$1,400, and since there are an estimated 35,000 misassignments, the total expenditure is \$48.7 million.

The estimated cost of \$48.7 million appears insupportable for the following reasons:

First, it does not discount the cost of training that would have been required had the "misassigned" person been trained for the job in which he was performing at the time of the survey. If the 40 cases of misutilization that are cited in the report are analyzed, we find that the total cost of training these individuals was approximately \$125,980. The cost of training the same individuals for the duty in which they were performing would have been \$101,310—the difference being \$24,670.

Second, if it were necessary to malassign 35,000 men to spaces for which there were no better qualified individuals available, then it would have cost the Government the same \$48.7 million (using the report's figure of \$1,400 as the average cost of training an enlisted man) to have trained and made available another 35,000 men who could have been properly assigned to these spaces.

Although the GAO report does point out a few apparently valid cases of abuse, the majority of the estimated cases of alleged misassignments may well be the result of genuine military necessity.

The report alludes to the fact that many jobs are filled by an individual, trained in another specialty, before a requisitioned replacement possessing the proper MOS arrives on station. The Army is cognizant of this situation and is endeavoring to minimize it. It should be noted, however, that unforeseeable vacancies occur. Since there are leadtimes of 5 to 6 months in processing a replacement, deferments are sometimes granted the replacement, or a substitute replacement must be secured because of a last minute deletion of the original man selected. In the meantime, it is necessary that the job be filled and as a

consequence someone readily available at the installation is chosen. This is particularly true in maintaining the combat readiness of certain Army units. When this consideration is involved, there is no time so wait for the right man and approved solutions and management practices must, for the moment, go by the board. Such a decision falls into the category of the commanders prerogatives and is never made lightly since it is his unit which will suffer from any misuse of the manpower resources which are available to him at any given time.

Coupled with this problem is the problem of meeting changing requirements of the Army that in turn require the establishment of new specialty fields and the abandonment of others. To meet these new requirements the Army has found it necessary in some instances to force retraining of personnel made surplus by inactivation of units or an overage in certain MOS's. This retraining in new fields is imperative on a worldwide scale, particularly in MOS's which are in short supply by virtue of their very newness.

It was intimated that commanders were disregarding primary occupational specialties and paying little or no attention to the past training of personnel. There may be isolated cases of such malpractice. In order to prevent indiscriminate changes in MOS's the Army has published numerous regulations setting forth the basic premise that proper classification and utilization of enlisted personnel is a command responsibility. The effectiveness of the classification system depends upon accurate, up-to-date classification information on each enlisted person. Continual reevaluation of individual skills, knowledge, duty performance, and medical fitness capabilities and limitations is mandatory. Attainment of new skills, loss of old skills, and changed medical fitness must be promptly evaluated, classified, and entered upon individual records. The effectiveness of the utilization policies depend on the effectiveness of the Army's ability to inventory skill assets, to determine training requirements, and to distribute available assets to meet requirements so that individuals retain their primary qualifications.

In view of the investment of time and money which the primary MOS represents, redesignation is prohibited for 1 year following appointment in the MOS to a higher pay grade or lateral appointment as an NCO or specialist in the MOS at the same pay grade; award of proficiency pay in the MOS except as provided in AR 611-208; and completion of training in and award of the MOS which has involved temporary absence from assigned place of duty, TDY between duty stations, expenditure of funds for travel, selection for training by Headquarters, Department of the Army, use of a school quota authorized by Headquarters, Department of the Army, or compliance with specific reclassification instructions from Headquarters, Department of the Army. Redesignation of primary MOS is mandatory upon completion of any training or retraining actions permitted by the current Department of the Army circular listing surplus and shortage MOS for use in specific personnel actions, upon appointment to a higher grade in other than a soldier's currently designated primary MOS, or upon direction of Headquarters, Department of the Army.

The foregoing policies, all of which are currently in effect, preserve the prerogatives of field commanders, yet reserve to the Department of the Army the right to prescribe utilization and restrict reclassification where such action is in the best interest of the service. Such policies provide the commander in the field with the flexibility to make personnel adjustments dictated by changing requirements. Additionally, they capitalize on the inherent capabilities of the soldier, assist him to broaden his experience, and, thus, provide for a more versatile individual soldier.

In view of the foregoing, current utilization and reclassification policies are considered adequate, guide the exercise of, but do not usurp command prerogative, and do not result in overmanagement and over control. Any restrictive policies would increase the administrative burden at all levels, offsetting any increase in effectiveness in the utilization of a small percentage of the total Army enlisted strength.

Since May 1943, the Army—recognizing the need for controls in personnel matters—has had in operation four or more personnel management teams whose missions include the survey of all phases of military personnel management. Misutilization of trained enlisted personnel is a major area of their survey actions. Currently there are five such management teams that visit at least once a year conus installations having a military population of 100 or greater. These teams, in addition to publishing a quarterly review of their more significant findings, make known to each installation commander visited their specific findings at the time of the exit interview and later submit a separate written report, copies of

which are made available to elements of the Department of the Army staff. During these surveys, when serious deficiencies are noted, team personnel will, with command concurrence, conduct remedial instruction. Initiation of action to reassign "misutilized" personnel rests with the installation commander. Operating parallel to the Department of Army personnel management teams are personnel management teams and manpower survey teams of many of the major conus and oversea commands as well as teams from the Army Audit Agency and command level Inspector General teams, all of which make periodic checks into misutilization of enlisted personnel. With such control elements in being, no further increase in controls or control organization appears justified.

The Army welcomes the attention of this committee to the problem of proper assignment of personnel, and will continue its efforts to meet the common objectives of this committee and the Army—to get the right man in the right job at the right time.

Mr. ANDREWS. Mr. Chairman, may I ask General Taylor a question?

Mr. MAHON. Just a minute.

Do you think this charge of a \$48 million waste is correct, General Maroun?

General MAROUN. In my opinion, I do not think that it can be substantiated that there is a \$48 million waste because they took a sampling of people who were trained, but whom they found, in their opinion, to be malutilized. The report projected that forward to get the \$48 million.

I would say it would be a complete waste if the men that you had weren't used at all, but they were used somewhere. If they weren't used in that MOS, they were used in some other MOS.

Mr. MAHON. But the complaint here is you should not have trained a man for a particular job if you were not going to use him in the job because it costs so much to train people.

General MAROUN. I think the GAO is assuming that the predicting of the MOS's you need to be schooled and trained is an exact science. This is a very difficult proposition because you do not know from year to year the exact composition of the Army. I think, as you recall, sir, that the strength of the Army has been going up and down before and since World War II and when you reconstruct and reorganize, you don't know in what unit you are going to do it. You make your best guess. If you didn't get it correctly, you are going to mistrain some people.

For an example—

Mr. MAHON. Off the record.

(Discussion off the record.)

Mr. OSTERTAG. In reference to the general conclusions and findings of the GAO in which they base a general estimate of \$48 million as being lost or wasted by virtue of this system or by virtue of these activities and failure to properly utilize personnel in the Army, I would imagine that their estimate of the dollar value is not directly a matter of personnel, but a matter of efficient utilization as well which has a value whether or not you can place or find the proper slot for its dollar value. You should take that into account, General, when you respond to it.

General MAROUN. Yes, sir.

Mr. ANDREWS. May I ask General Taylor a question before we get away from this?

General Taylor, how long did you have command of that division in Germany?

General TAYLOR. About 13 months, sir.

Mr. ANDREWS. How many men were in the division?

General TAYLOR. Including my attachments, sir, roughly 18,000.

Mr. ANDREWS. How many MOS complaints reached your desk or your office?

General TAYLOR. Sir, I do not recall a specific MOS complaint that reached my desk. I know there were—

Mr. ANDREWS. In other words, they settled down at the company level or the battalion level?

General TAYLOR. Yes, sir. I know that there were MOS changes being made; I also was aware of the fact that corrective action was taken by my staff.

Mr. ANDREWS. No complaints, though, that we have been discussing here today reached your office?

General TAYLOR. No important complaints.

Mr. ANDREWS. They could have?

General TAYLOR. They could have.

#### RECOGNITION OF TECHNICAL COMPETENCE OF OFFICER PERSONNEL

Mr. MAHON. One of the problems in the modern day military service is the matter of the technical competence and proficiency of officer personnel. To what extent is the officer promotion system being revamped or otherwise adjusted to provide for technical accomplishments which are unrelated to the leadership of masses of men in the field?

General RICHARDSON. We are not revamping in any major way at all to put particular emphasis on this. The promotion boards, as they are briefed prior to their selection, are instructed that we do have officers who are in the specialist areas and, as such, they cannot always receive command assignments and assignments with troops as a line officer does; this must be taken into consideration with regards to their being selected for promotion.

Mr. MAHON. Is there a directive with respect to this matter?

General RICHARDSON. Yes, sir. We have this in our written instructions to the Board.

#### COST-OF-LIVING ALLOWANCES IN ALASKA

Mr. MAHON. In August of 1963 the Comptroller General issued a very critical report with respect to the cost-of-living allowances paid in the Alaskan Command. Are you familiar with that? One of the points made was that the cost-of-living allowances were being paid to officers because enlisted messhalls were not so arranged as to provide separate messing facilities for officers.

Could you tell us what the situation is at the present time?

General RICHARDSON. May I read this, Mr. Chairman:

Unjustified cost-of-living allowances paid in the Alaskan Command to military personnel not accompanied by dependents—GAO stated that commissioned officers assigned to certain Air Force and Army installations in the Alaskan Command, although not accompanied by dependents, were paid cost-of-living allowances on the basis of arbitrary administrative determinations that adequate Government messes were neither available nor utilized, when in fact existing enlisted personnel dining halls were adequate and were actually utilized by commissioned officers. Also, unaccompanied noncommissioned officers residing in bachelor enlisted quarters were authorized to mess separately, solely on the basis of such residency, and consequently received cost-of-living allowance payments.

Department of Defense reply states that corrective actions initiated are sufficient to correct any unwarranted payments of the cost-of-living allowance; Department of Defense does not agree, however, with the view of the GAO that officer personnel should be required to use enlisted messes on a permanent basis

In general, Mr. Chairman, this had to do with officers having to eat in the same messhall with the enlisted men and our policy on a continuing basis is that our officers should not eat in the same messhall with the enlisted men. It restricts both of them to a certain extent.

#### PROFICIENCY PAY

Mr. MAHON. What is the general status at the moment of proficiency pay; that is, what are now the rates authorized and the numbers qualified, et cetera? Do you have a statement on that?

General RICHARDSON. Yes, sir; the rates that are authorized as of October 1 of last year are: P-1, \$50; P-2, \$75; P-3, \$100; and we have a P-1 superior performance rate at \$30. I have a figure here that shows the number that are being paid in each of these.

Mr. FORD. Would the chairman yield there?

Mr. MAHON. Yes.

Mr. FORD. Can you give us some historical information for the record showing the number in the various categories and also the percentage of the number in each category, vis-a-vis, the total enlisted strength?

General RICHARDSON. Yes, sir.

Mr. FORD. When did you get the authority to go to P-3?

General RICHARDSON. As of October 1, 1963.

Mr. FORD. Prior to that time you had only had P-1 and P-2?

General RICHARDSON. Yes; and they were at the rate of \$30 and \$60, respectively.

Mr. FORD. Will you indicate in the record the amount of dollars involved in each of the various categories?

General RICHARDSON. Yes, sir.

(The information requested follows:)

## Proficiency pay

	Average number received	Percentage of total strength	Annual cost
Fiscal year 1959: P-1 (\$30).....	4,722	0.60	\$1,699,920
Fiscal year 1960: P-1 (\$30).....	37,607	4.90	13,538,590
Fiscal year 1961:			
P-2 (\$60).....	2,608	.34	1,877,760
P-1 (\$30).....	61,039	7.93	21,974,040
Total.....	63,647	8.27	23,851,800
Fiscal year 1962:			
P-2 (\$60).....	11,681	1.29	8,410,230
P-1 (\$30).....	64,503	7.13	23,221,000
Total.....	76,184	8.42	31,631,230
Fiscal year 1963:			
P-2 (\$60).....	22,045	2.55	15,872,000
P-1 (\$30).....	76,328	8.83	27,478,000
Total.....	98,373	11.38	43,350,000
Fiscal year 1964:			
P-3 (\$100) <sup>1</sup> .....	1,168	.14	<sup>2</sup> 1,401,600
P-2 (\$75) <sup>1</sup> .....	12,110	1.42	<sup>2</sup> 10,899,000
P-2 (\$60).....	8,063	.95	<sup>2</sup> 5,805,360
P-1 (\$50) <sup>1</sup> .....	19,739	2.32	<sup>2</sup> 11,843,400
P-1 (\$30).....	27,706	3.26	<sup>2</sup> 9,974,160
SP (\$30) <sup>1</sup> .....	27,220	3.20	<sup>2</sup> 9,799,200
Total.....	96,006	11.29	49,722,720
Fiscal year 1965:			
P-3 (\$100).....	1,540	.18	<sup>2</sup> 1,848,000
P-2 (\$75).....	15,971	1.86	<sup>2</sup> 14,373,900
P-1 (\$50).....	29,092	3.38	<sup>2</sup> 17,455,200
SP (\$30).....	36,042	4.19	<sup>2</sup> 12,975,120
Total.....	82,645	9.61	46,652,220

<sup>1</sup> New rates which became effective Oct. 1, 1963.

<sup>2</sup> Estimated.

Mr. FORD. And now one other question: I have consistently been concerned about a man going into a proficiency category because of his skill. When he is assigned to a job where that skill is required, I fully concur that he should receive the proficiency pay; however, from time to time, individuals are assigned or reassigned to a job where this proficiency skill is not necessarily related to what his new assignment may be.

What is the Army's current policy, once a man has been reassigned to a position where his proficiency is not a necessary ingredient in that job?

General RICHARDSON. Our policy is first to assign him to a position that needs his skills so that he can continue to draw the proficiency pay.

Mr. FORD. I would assume that to be true, but there are instances where he is not so assigned. What happens then?

General RICHARDSON. There are instances, and he loses it at the end of 90 days if they have not been able to find a position where he could use that skill.

Mr. FORD. This is an automatic cutoff?

General RICHARDSON. Yes, sir.

Mr. FORD. Have you had any problems as a consequence—a man loses \$30, \$60, or now \$50 or \$75 or \$100. What happens?

General RICHARDSON. I cannot give you any specific cases of trouble over this; no sir, but we have had it happen.

Mr. FORD. But the men who get this pay for being in a special job fully realize that there is a possibility that they might subsequently lose this privilege?

General RICHARDSON. Yes, sir; this is right in the regulations and they are cautioned on this, sir.

#### DECREASE IN NUMBERS ELIGIBLE FOR PROFICIENCY PAY

Mr. SIKES. Are there any reclassifications which make it more difficult to get proficiency pay? Have there been any reductions in the numbers or amounts, the numbers of personnel or amounts for proficiency pay at any level?

General RICHARDSON. There will be reductions in the overall number receiving the pay at the end of fiscal year 1964; yes, sir.

Mr. SIKES. Is that because it is becoming more difficult to get a status to draw proficiency pay or what is the reason?

General RICHARDSON. It is because we are authorized less number of people in the various proficiency pays and so we have had to raise the score that they make, must make, in order to draw.

#### QUALIFICATIONS FOR PROFICIENCY PAY

Mr. SIKES. Will you provide for the record some listing of the procedure used to designate a man to receive proficiency pay? What I am getting at, there is criticism, and of course there will always be some basis for such criticism, that a part of the requirement to get proficiency pay is a good snow job. There will always be that kind of criticism about anything that results in promotion, so just tell us generally for the record how a man can achieve proficiency pay?

General RICHARDSON. Yes, sir. We would be happy to.

(The information requested follows:)

Under the Army's proficiency pay program there are a number of requirements which must be met before a soldier may be authorized proficiency pay.

The Army program requires an annual evaluation of soldiers in pay grade E-3 or higher in their military occupational specialties (MOS). In accordance with DOD Directive 1340.2, dated June 26, 1963, there are two categories of proficiency pay—Proficiency Pay (Specialty) and Proficiency Pay (Superior Performance).

Under the Army's program which implements this directive, soldiers receiving proficiency pay must be qualified in the primary MOS in which serving. That qualification is determined by:

(a) Evaluations based on written tests and performance tests prepared by the Army Enlisted Evaluation Center at Fort Benjamin Harrison, Ind., under the direct control of the Department of the Army, for Army-wide evaluation of individual soldiers in their respective MOS.

(b) Each individual soldier must also be evaluated on his job performance by two immediate superiors in his chain of command, using a standard commander's evaluation report (CER) provided by the Department of the Army for that purpose.

(c) Completed tests and commander's evaluation report forms are required to be sent by field installations to the Enlisted Evaluation Center for centralized, objective scoring and evaluation.

(d) Resulting evaluation scores are forwarded by the Center to the individual soldier's unit to be made a part of his records; to indicate whether or not he is qualified in his MOS; and to determine if his MOS evaluation score is high enough to enable him to meet the eligibility requirement for proficiency pay consideration.

(e) Soldiers must achieve established minimum scores to demonstrate qualification for classification in their primary MOS for the Proficiency Pay (Specialty) award, and also for Proficiency Pay (Superior Performance) awards, must have

attained a score equal to or higher than the cut-off score designated for proficiency pay eligibility in their primary MOS. The cut-off score, identified as the Superior Performance Qualification Score (SPQS), is established and announced by Headquarters, Department of the Army, for each MOS under that award category. This in effect establishes Army-wide competition for such awards, with only those soldiers in the top scoring brackets granted these awards.

Other criteria which must also be met by soldiers to be eligible for proficiency pay under the Army's program are the following:

(a) Be on active duty, other than active duty for training as a member of a Reserve component, and be entitled to basic pay.

(b) Be in pay grade (E-3) or higher.

(c) Be properly classified in a primary MOS designated for proficiency pay.

(d) Have completed at least 24 months of active service, other than active duty for training.

(e) Have completed 6 months continuous active duty immediately prior to award of proficiency pay.

Army Regulations No. 611-208 contain detailed instructions on proficiency pay awards procedures.

Mr. FORD. Could you put in the record the regulation pertinent to proficiency pay—how a man qualifies? There are four categories you now have.

General RICHARDSON. Yes, sir. We can put it all in.

Mr. WHITTEN. Mr. Chairman, I would like to say at this time I think General Maroun and General Taylor, as well as General Richardson, have made a rather good record showing after all when you get down to the working level that you are dealing with human beings, in their capacities, et cetera, and with a proper showing that when some of these misfits do occur that there is a reasonably quick remedy, that to a great degree meets the issue as I see it. Off the record.

(Discussion off the record.)

Mr. ANDREWS. May I ask one question, Mr. Chairman?

Mr. MAHON. Mr. Andrews.

#### DECREASE IN CATEGORY IV NUMBERS

Mr. ANDREWS. General Richardson, you used to have in the Army a group known as category IV. I haven't heard much about that group in the last 4 years. Do you still have that group designated as category IV or a comparable category?

General RICHARDSON. Yes, sir; we do have category IV in the Army. You may have noticed in my statement that I mentioned, we had worked with Selective Service and raised the criteria for inductees. This basically was in the area of category IV.

A category IV individual falls within the score of 10 to 30 in our Armed Forces Qualification Tests. Up until May of this past year, in category IV, a man had to make 90 or better on two of his area aptitude tests if his Armed Forces Qualification Test score fell between 10 and 30. Selective Service agreed that we could add one more test to that, and this was the general technical test, and they were required to make 80 on that test before we must accept them for induction. This has reduced the number of category IV personnel that we are receiving now and has helped raise the quality of the men coming in through induction.

Mr. ANDREWS. So that the number in category IV is decreasing?

General RICHARDSON. It is going down, yes, sir.

## PROPOSED UNIFORM RATION ALLOWANCE

Mr. MAHON. General, from time to time in the past we have discussed the differences in the ration allowances among the services. Is there any proposed change in the law with respect to the ration allowances?

General RICHARDSON. There is a bill that has been submitted, and I do not know where it is right now, which would provide for a uniform ration allowance.

Mr. MAHON. Do you think this would be desirable?

General RICHARDSON. Yes, sir. We are getting along all right but this would be desirable.

Mr. MAHON. There is an indication that there would be an additional \$29 million cost under the new legislation. Do you know why that would be required?

General RICHARDSON. Our ration rates would go up under the new legislation, sir, and this per man rate, then, of course, would raise the amount needed for subsistence.

Mr. MAHON. Why would they go up? Is the present ration rate inadequate or what?

General RICHARDSON. May I have Mr. Nutt respond to this, Mr. Chairman?

Mr. MAHON. Mr. Nutt.

Mr. NUTT. There would be two primary reasons why the ration rate would go up. Under the present law we, the Army and the other military services, are reimbursed by the Commodity Credit Corporation for the percentage of milk used in excess of 8 ounces. The new law provides a normal allowance of 24 ounces, which means that the military would pay full cost for that additional 16 ounces of milk. The net cost to the Government wouldn't increase, but it would cause the MPA appropriation cost to go up. There is one other factor, too. In realigning the list of food components from which the services would be allowed to make a menu, that list is slightly larger in both quantity and selection than the one the Army uses today.

## DECREASE IN REIMBURSEMENTS

Mr. MAHON. In your justification book in the salmon sheets, references are made to reimbursements from non-Federal sources. These funds have run to \$100 million in the past but for the forthcoming year they are estimated to be about \$11.5 million. Would you explain why this sudden decrease?

Colonel HAYMAN. During the operation of this fiscal year, the Army stock fund will be extended throughout the world. At the current time the Military Personnel, Army, appropriation carries inventory in both clothing and foodstuffs. We are in the process now of extending the coverage by the Army stock fund, and, therefore, those persons who used to buy from us, from these installations which were not covered under the stock fund, will then be buying direct from the stock fund. This will be completed during fiscal year 1965, and it reduces the amount of reimbursables that we show.

Mr. MAHON. This is a bookkeeping matter?

Colonel HAYMAN. Primarily, sir.

Mr. MAHON. At page 14 of the justifications you indicate an increase in basic allowance for quarters of several hundred persons entitled. Other services have recognized increases in the availability of Government quarters. What is the Army situation?

General RICHARDSON. Our increase here is basically because of an increase in our average strength for fiscal year 1965 over fiscal year 1964, but it does take into account what new quarters we will have becoming available.

DUTY SUBJECT TO HOSTILE FIRE

Mr. MAHON. At page 18 you show an increase of about 1,400 in the average number of persons eligible for "Duty subject to hostile fire," a new special allowance. On what do you base this increase?

General RICHARDSON. This is basically because it will be for a 12-month period rather than a 9-month period.

Mr. FORD. What areas qualify there now?

General RICHARDSON. Vietnam.

Mr. FORD. That is the only area that is so qualified?

General RICHARDSON. Yes, sir, that is outside of Saigon itself.

Mr. ANDREWS. What is the increased pay in that theater of action?

General RICHARDSON. For the hostile fire?

Mr. ANDREWS. Yes.

General RICHARDSON. \$55 per month, sir.

Mr. ANDREWS. Both officers and men?

General RICHARDSON. Yes, sir.

Mr. FORD. What is the total number that you are forecasting in fiscal year 1965 that will be the beneficiaries of this legislation?

General RICHARDSON. We will average 5,961. This is an average for the year, sir.

Mr. FORD. Out of a total of what, approximately?

General RICHARDSON. We have out in Vietnam now approximately \_\_\_\_\_, sir.

Mr. FORD. Slightly over 50 percent of your personnel in Vietnam are qualified for this additional pay?

General RICHARDSON. Yes, sir.

Mr. FORD. What is the estimated annual cost for this in fiscal year 1965?

General RICHARDSON. \$3,934,260.

Mr. FORD. Do officers qualify for that as well?

General RICHARDSON. Yes, sir.

Mr. OSTERTAG. What is the effective date? Is it retroactive?

General RICHARDSON. October 1, 1963, is when it started, sir, as part of the pay bill.

Mr. MAHON. On page 23 of your justifications there is an increase of about 10,000 in the number of family separation allowances for permanent change of station. What is the reason for this increase, which amounts to nearly \$4 million?

General RICHARDSON. This, again, is a new item that was a part of the pay bill that was passed in October of 1963 and we will have a 12 months' period in 1965 as against a 9 months' period in 1964.

## REACTIVATION OF MEAT PROCESSING PLANTS

Mr. MAHON. On page 27 of the justifications in the summary tabulation there is shown a saving of \$900,000 based on the reactivation of meat processing plants. What is the reason for this?

General RICHARDSON. May I have Mr. Nutt answer that question, please, sir?

Mr. MAHON. Yes.

Mr. NUTT. During the early part of 1963, OSD made a study in which it was determined that large installations which processed their meat requirements from carcass meat rather than buying the product from the market as a boneless product, saved approximately 6 cents per ration. This is an extension of that policy to the military services wherein OSD has directed the Army specifically to either reactivate or construct, in the case of one installation, meat-cutting plants to go into operation during fiscal year 1965.

Mr. MAHON. Do you think that this will actually represent a net saving, considering all the personnel, additional plants, et cetera?

Mr. NUTT. The OSD study indicated that, including the additional cost of personnel, the equipment, depreciation on the building, et cetera, there is a net savings at installations feeding 5,000 or more persons, yes, sir.

Mr. SIKES. Does that include the extra beef soup?

Mr. NUTT. That includes returns to the Army from the bones that they get, from the suet that they trim off, all the waste products are turned into cash as a return to the Army.

Mr. MAHON. Why are we just now figuring out how to save this money? We had some pretty sharp people in the services heretofore.

Mr. NUTT. Well, this involves the desires of the individual installation commander to use funds for purposes other than this since different appropriations are involved in the two costs.

Mr. MAHON. Will you explain what you meant?

Mr. NUTT. The cost of the operation of a meatcutting plant is borne by O. & M.A. funds; the cost of subsisting the soldier is borne with MPA funds. The MPA fund appropriation being a special open allotment, does not have the specific control imposed on it that the O. & M.A. funds do and therefore the desire would be to use the fund that has the least control and have the other funds available to him.

We have 24 of these meatcutting plants in operation now. This is nothing new. It is just an extension and reopening of—reopening of three and construction of one.

Mr. MAHON. Is that the whole picture, just that many?

Mr. NUTT. Yes, sir. That is all. These proposed new plants are to be located at Fort Bliss, Fort Lewis, Fort Sill, and Fort Polk, all of which feed more than 5,000 Army troops.

## PILFERAGE LOSSES IN KOREA

Mr. MAHON. In your subsistence account, shown at page 31 of the justifications, you indicate losses at non-stock-fund supply points, Korea at \$192,000. What does this mean?

Mr. NUTT. This relates to operational rations that are funded, or that are located in storage locations in Korea that are funded with Military Personnel, Army, funds. There is pilferage and loss incurred in this area much greater than in other areas of the world and this takes into account the estimated value of those losses.

Mr. MAHON. Is there any way to cut out these losses?

Mr. NUTT. I suppose if you established great enough security measures they could be stopped, but I can relate one instance that I have heard—whether it is true or not, I do not know—but this was where they built a tunnel under the compound fence and came up inside the ration stack and were taking them from underneath inside and taking them back out. As I say, I do not know that that is true.

Mr. FLOOD. I was going to ask the same question. There never has been anything like the pilferage in Korea. They can take the gold out of your teeth and you never know it. How has that developed in the last couple of years? Would you know, or would somebody else know?

You ought to know something about that, General Richardson.

General RICHARDSON. There has been a terrific effort to cut this down and it has been cut down, but as to specific cases, I wouldn't know. But there certainly is a tremendous effort to cut it down. You finally, I believe, get to a point of no return on it.

Mr. FLOOD. What do you mean by that?

General RICHARDSON. You use up more people and more material in guarding it than what you have been losing on it. There is tremendous pressure on our commanders out there to reduce these losses.

#### NEW SPECIAL RATIONS

Mr. MAHON. On page 31 there is a new item of \$289,000 for special rations. What does this mean, Mr. Nutt?

Mr. NUTT. This is an item that is being introduced into the system on a temporary basis to satisfy the requirements of the special warfare forces for a food packet which can be used in counterinsurgency and guerrilla-type activities. This provides for the purchase of 300,000 of these packets only. The packet is a small packet, consisting of dehydrated food, it provides for a cup of coffee and a candy bar for dessert. It gives you approximately 900 calories for a packet. It is intended to be used for no longer than 10 days, which means that a man would be required to carry 30 of them with him if he were out for the full 10-day period.

Mr. MAHON. That is enough.

Mr. NUTT. I have some samples here, sir, if you would like to see them.

Mr. MAHON. He has to get his water otherwise?

Mr. NUTT. The water has to be—it has to be boiling water, and it has to be available, yes, sir.

Mr. FORD. Can you pass them around, those samples?

Mr. MAHON. What size are these?

Mr. NUTT. They are small.

General RICHARDSON. This is an attempt to get a ration that our special forces soldier can carry more himself because he has less chance of being resupplied.

## INCREASES IN TRAVEL COSTS

Mr. MAHON. While these samples are being passed around, at pages 41 and 45 of the justifications there are substantial increases in the item transportation of household goods and personal effects. In view of the recent GAO report on temporary storage of household effects, what is the significance of these large increases?

Colonel HAYMAN. On page 41, Mr. Chairman, rotational travel, the program for enlisted personnel in household goods shows an increase. This is simply due to the increased enlisted strength going over. There is an increase of something like 5,200 in end strength of enlisted and these personnel must be supported overseas. This is a straight arithmetical computation, using our factors to give the additional household goods coverage.

Mr. MAHON. On page 43 of the justifications there is an increase of nearly 10 percent in the item "Separate travel pay without performance." Can you explain this?

General RICHARDSON. This is for a programed increase in the number of men to reenlist for their own vacancy without traveling home.

Mr. MAHON. In connection with your item for travel of organized units, there is shown on page 46 an increase of 50 percent in the number of military members traveling from 21,844 to 32,241. What is the basis for this increase in travel?

General RICHARDSON. This is because of an increase in intratheater moves to relocate units, both overseas and within CONUS.

Mr. MAHON. Why the necessity?

General RICHARDSON. It is because of an increase of 10,397 enlisted moves due to an increase in oversea intratheater unit moves and additional return of units to CONUS for gold flow reductions.

Mr. MAHON. This is the final question for the morning.

## PER DIEM PAYMENTS WHEN ON MANEUVERS

In the Army Times of January 8, 1964, a new agreement was reported between services with respect to per diem for members in joint exercises as between Army posts and Air Force bases. This would indicate that the Air Force allows per diem during exercises under some conditions and the Army apparently operates otherwise.

The question is, are both services operating under the same law and if so, why are the allowances different?

General RICHARDSON. I cannot answer that, but I would like to supply it for the record, if I may, sir.

Mr. MAHON. All right.

(The information requested follows:)

The joint travel regulations provide that per diem allowances are not payable to members while participating in maneuvers, field exercises, simulated war games, training encampments for the Reserve components or Reserve Officers Training Corps students, and other similar activities where both rations in kind and quarters are available or furnished, whether or not such facilities are utilized. However, as an exception to this rule, the joint travel regulations give the Secretaries of the services authority to prescribe per diem for members whenever the maneuver, field exercise, etc., is performed on an installation of the uniformed services. This authority was given to the Secretaries because of their different missions.

The Department of the Army does not authorize per diem for maneuvers or field exercises held on an Army installation because no actual expenses are incurred

by the members on this type of duty. When members are on maneuvers or field exercises, they are furnished quarters or other sleeping accommodations without charge and Government messing facilities are made available to all members during the actual periods of such duty.

The Department of the Air Force takes the position that if a member participating in a maneuver or field exercise is required to live in the same type of quarters that are furnished to members on regular temporary duty, he then incurs the same expenses and should be compensated accordingly. The Department of the Air Force has noted that the preponderance of their field exercises are of a type that require aircraft to take off from military installations, land at other military installations, or return to point of origin. Therefore, the duty is similar to ordinary temporary duty for which per diem is authorized. When Air Force members are under field conditions and sleeping accommodations normally associated with duty under field conditions (such as tentage, dugouts, lean-tos, or structures not suitable for regular occupancy) are furnished or used, no per diem is authorized by the Department of the Air Force.

Because of these differences, the services agreed to follow the regulations of the host service when joint maneuvers for exercises are held, thus eliminating the untenable situation where some members were paid per diem and other members were not for the same period of duty.

Mr. Whitten?

Mr. WHITTEN. Not trying to go into the various policy decisions and numbers in line with the suggestion of the chairman, but I think it is appropriate at this point to ask if the personnel program of the Department of the Army is geared to assignments and its overall budgetary provisions made for the place you have in the sun, so to speak. Is your personnel tied to your program, in other words, goes up and down with the program?

General RICHARDSON. Yes, sir. These budget estimates are all based on our programing for the fiscal year of our best estimate now of what we are going to do during fiscal year 1965.

Mr. WHITTEN. The programing plans will be submitted to this committee tomorrow, I believe, the overall budget.

General RICHARDSON. They are in the justification sheets you have right now, Mr. Whitten.

Mr. WHITTEN. Thank you.

Mr. MAHON. Thank you very much, gentlemen. We shall reconvene at 2 o'clock.

#### AFTERNOON SESSION

#### APPOINTMENT OF WOMEN ATTORNEYS

Mr. SIKES. The committee will come to order.

For the first time I note that it is proposed that qualified women attorneys be offered a career as Army lawyers.

What is the status of that proposal?

General RICHARDSON. These women will come into the Women's Army Corps, and then they will serve their time with our Judge Advocate General Corps—the law branch of the Army. In this way we hope to recruit women.

Mr. SIKES. They will be commissioned?

General RICHARDSON. Yes; into the Women's Army Corps.

Mr. SIKES. And will get pay commensurate with that of their male counterparts?

General RICHARDSON. Promotion will be the same.

Mr. SIKES. Have any actually been commissioned to date?

General RICHARDSON. As of January 16, we had not commissioned any.

Mr. SIKES. How much interest do you find on the part of the women attorneys in this career?

General RICHARDSON. They have had a number of inquiries about it.

Mr. SIKES. Who instituted the idea?

General RICHARDSON. Colonel Gorman, the Director of the WAC's, in conjunction with General Decker, who was the Judge Advocate General at the time.

Mr. SIKES. Certainly, there is no reason why this should not offer a good field for obtaining needed skill and talent, but since this release I have before me as of March 26, 1963, you have not commissioned anyone to date, which would indicate either there has not been a great deal of interest, or that there is not much support for the plan.

Which is it?

General RICHARDSON. I think it is probably a lack of interest in it, actually.

Mr. SIKES. Do you know if any applications have been received?

General RICHARDSON. As to actual applications, none to my knowledge; only inquiries.

Mr. ANDREWS. Just how does this plan work, or do you propose for it to work, General? You say the woman must first go into the WAC's?

General RICHARDSON. She would be commissioned into the WAC's.

Mr. ANDREWS. She will have received her law degree?

General RICHARDSON. Oh, yes, sir.

Mr. ANDREWS. And license to practice?

General RICHARDSON. She would already be a qualified lawyer.

Mr. ANDREWS. How long does she stay in the WAC's before she goes into the Judge Advocate's department?

General RICHARDSON. It is an immediate detail into the Judge Advocate General's department as soon as she is commissioned and on duty.

Mr. SIKES. I suggest that the news release itself be incorporated in the record at this point.

(The news release follows:)

[Department of Defense, Office of Public Affairs, Washington, D.C.—News release, March 26, 1963, No. 421-63]

#### ARMY COMMISSIONS OPENED TO WOMEN LAWYERS

Qualified women attorneys are being offered a career as Army lawyers under a program announced today by the Department of the Army.

Appointments will be in the grade authorized for male applicants assigned to the Army's Judge Advocate General Corps, but not above the grade of lieutenant colonel.

Applicants between ages 20 and 32, who qualify will be commissioned in the Women's Army Corps and concurrently detailed to the JAG for their entire career. Previously, some members of the WAC had served in legal positions for regular 3-year tours, but not as career lawyers. Under provisions of this program, women attorneys although commissioned as WAC's will serve in legal positions.

WAC officers presently may serve in all branches of the Army except the combat arms.

To enter the program, women attorneys must meet the requirements for appointment in the Women's Army Corps as well as the special requirements for the Judge Advocate General Corps.

Women law students may apply during the senior year of law school. Their appointments will be effective after graduation and admission to the bar of the highest court of a State or Federal court.

Those women accepted for the program must agree to serve 3 years on active duty. Following a brief orientation at the Women's Army Corps School at Fort McClellan, Ala., the newly commissioned officers will attend a special course at the Judge Advocate General's School at Charlottesville, Va.

#### DECLINE IN REENLISTMENTS IN 1964

Mr. SIKES. I note, General Richardson, that the average strength of the Army for fiscal year 1964 was less than that authorized. You anticipate it will be built back up to authorized strength during the next fiscal year.

What are the reasons for this drop in average strength during fiscal year 1964?

General RICHARDSON. It was a combination of not retaining the number of men that we had programed we would retain.

Mr. SIKES. How could that be? You had programed them for a specific time. How is it they were in the Army less time than had been anticipated?

General RICHARDSON. Our reenlistments did not come up to our expectations or our voluntary reenlistments did not come up to our expectations.

Mr. SIKES. That, of course, has been a difficult point for a long time, and you have been trying to improve it. Now it appears you are going backward at a period when you have higher pay and other incentives to offer.

How do you interpret that situation?

General RICHARDSON. We had an upturn in this area starting in October. It had been down for the first quarter for the fiscal year. October was better and November was better. We hope it will continue to improve.

Mr. SIKES. Do you attribute that to the pay increase?

General RICHARDSON. That certainly has helped.

Mr. SIKES. What reasons did you find that brought about the drops? Specifically, what was responsible for fewer enlistments, or reenlistments?

General RICHARDSON. I think, on our voluntary enlistments, because our draft calls had been low in fiscal year 1963, we had less voluntary enlistments than we anticipated. We had two actions which we took ourselves to first, improve quality, and second, to reduce turbulence and permanent changes of station, which I think affected our reenlistment rate. I hope we can recover.

Mr. SIKES. It is very important we know what is responsible for a situation of this nature.

Would you add to your statement anything you think will further clarify the record?

General RICHARDSON. I will be happy to.

(The information follows:)

In addition to the reasons given in the testimony above, the primary reason for the reduced number of reenlistments during the last 3 months of fiscal year 1963 and for fiscal year 1964 to date is the implementation in March and April 1963, of changes in policy which were directed toward the elimination of marginal or substandard-type personnel.

Effective March 15, 1963, unit commanders are required to submit in writing on the DA Form 1315: Reenlistment Data Card, their recommendation for further retention of the individual. Mandatory bar-to-reenlistment action must be initiated by unit commanders in all instances where the individual is otherwise

qualified for reenlistment but is not recommended for further retention. Prior to this change, unit commanders were encouraged to take continuing action to evaluate and seek separation of substandard personnel but were not required to recommend in writing the retention or elimination of each individual upon completion of their current enlistment.

Effective April 1, 1963, more stringent waiver provisions were implemented in the area of lost time on the individual's current or last enlistment.

Prior to the change in policy, a waiver was not required if the time lost on the current or last enlistment was less than 30 days and major commanders had approval authority on waivers for periods of 30 to 60 days. DA retained approval authority on all waivers for periods in excess of 60 days.

Under the new policy, effective April 1, 1963, any lost time on current or last enlistment requires a waiver for reenlistment. Local commanders having general court-martial jurisdiction have approval authority on periods of lost time from 1 to 15 days. Authority for approval of periods of lost time between 16 and 30 days is delegated to major commanders. DA retains approval authority in all cases involving a period of lost time in excess of 30 days.

Mr. SIKES. When Congress reduced the MPA appropriation by \$100 million in fiscal year 1964, we made a closer estimate than the Army of your actual needs. I would like to come to the defense of the Army and say we had a closer look at it than the Army. We were looking at the budget when it was actually in process and the Army had to prepare this budget well in advance and could not anticipate this loss in personnel.

General RICHARDSON. That is right.

Mr. SIKES. So I think the record should show, although actually our estimate was nearer than yours to the definite requirement, it is the result of the fact we were looking at it from a very close range and you were looking at it from long distance.

General RICHARDSON. Yes, sir; that is right.

Mr. SIKES. The principal point of difference was in travel. I doubt we are going to accomplish much by discussing travel. Not only do you feel that you need more travel money than we gave you for last year, but you are going to have to submit a request for additional funds and you are asking for additional money for fiscal year 1965 for travel.

This is a subject in which the committee and the Army and the Department of Defense constantly are in disagreement on.

#### EXCESSIVE TRAVEL PAY

We feel even now there is not a sufficiently realistic and hard look taken at actual travel requirements and accomplishments that could be accomplished. We discussed under the reprogramming request a few days ago some of the problems that come to our attention on this side of the table.

I have an example of a man who has been transferred nine times in 9 years. There does not seem to be much sense in that.

I have in my office a number of cases which have been called to my attention where a man is being transferred overseas, or completely across country, and in each case he has less than a year to serve before his retirement.

It seems to be poor economy to transfer a man and his family and household goods over long distances for such a short period of service. Do you agree?

General RICHARDSON. On the face of it, it looks like it is unnecessary. There may be a requirement there.

Mr. SIKES. Would it be necessary to send a man, his family, and household goods overseas, or completely across the United States, for less than a year's service?

General RICHARDSON. There would not be——

Mr. SIKES. It seems to me there are too many slots where a man's services can be utilized without this amount of travel.

General RICHARDSON. Yes. We are more apt to need the man overseas in an area where his family does not accompany him in order not to have all the men from the oversea unit rotate at one time, so some of the others are staggered and the replacements are not all required at that time. If we send a unit overseas, for example, it may be wise to send a man over with that unit, if it is an area where families cannot go, a man that will not do a full 13 months so all the men with the unit will not come home at the end of 13 months at one time and we can stagger it out.

Mr. FLOOD. Do you have a minimum beyond which it will be against regulations to send a man overseas?

General RICHARDSON. Our policy is not to send them over unless they have a year to do, and only under certain conditions will we go below that year to do.

Mr. SIKES. Why would you not make it 2 years, or at least the minimum for the station to which he is going to be sent? If a man has 13 months to do and if you send him to Korea, that makes sense, but if he has 12 months to do and you send him to Germany, that does not make sense to me.

General RICHARDSON. We have a requirement. Take our 2-year draftee. We are required sometimes——

Mr. SIKES. I am talking about men who are going to retire in less than a year.

Mr. WHITTEN. Sometimes people have been known to give people a trip before they wind up their service. The Army does not do that?

General RICHARDSON. No, sir.

Mr. SIKES. I know you cannot have the details of all these things in your mind.

Here is another example that has just been handed me. This man has written a letter to his Congressman. He is a warrant officer. He has had 14 years of military service. He has had 11 permanent changes of station and 22 changes of domicile.

#### PERMANENT CHANGES OF STATION POLICIES

The thing I am getting at is, after all of the efforts we have made to urge the services to be more realistic in travel, there is a strong feeling here that we have not had much success, that you people do not look as closely at the kind of detail I am calling attention to as you should, and you could save a lot of money if you did.

Have you any comment on that?

General RICHARDSON. I have a statement here. If I may I would like to read it. It is with regard to permanent change of station policies we have in effect.

May I briefly point out the major policies which are in effect in the Army to control permanent change of station, some of the exceptions to those policies which are necessary, and some of the limitations under which we work in meeting this problem.

First, the general policies:

1. Career officers and enlisted men are stabilized at CONUS stations for 24 months and 18 months, respectively. In some cases, even greater stabilization is directed. For example, field grade faculties at service schools serve 36-month tours.

2. Personnel in overseas stations are stabilized at one duty station for the duration of their overseas tour.

3. Officers are not reassigned unless they have 2 years left to serve on active duty, except to short tour overseas assignments.

4. Personnel with less than 1 year left on active duty are not assigned overseas.

5. Career enlisted personnel selected for overseas assignment who do not have sufficient time remaining on their enlistment commitment to complete the normal overseas tour are required to take action to insure adequate service to complete a normal tour before they are reassigned.

These policies are published to the field in AR 614-6 and 614-30, and are distributed down to company level. The regulations list the policies themselves, and then list the conditions under which moves may be made as a departure from the policies. Some of these departures, or exceptions, can be made under authority of commanders in the field; others can only be made with approval of Headquarters, Department of the Army. These regulations are enforced by both command and Inspector General inspections.

There must be exceptions to these policies, both by reason of meeting combat and readiness requirements, and in the name of common-sense. For example, we must move personnel into and out of hospitals; in Europe for instance, we must rotate personnel into and out of command positions more often than each 3 years—sometimes it's necessary to change station to do this; we must fill our overseas requirements to maintain combat readiness—sometimes an imbalance in a particular skill, or a shortage in that skill will require that a person with only 15 or perhaps 12 months in CONUS since his previous overseas tour must go overseas; (some of these MOS's at the moment are aircraft mechanics, and certain Army Security Agency positions). Those are MOS's in which we are short and we have to move them more often than normal. Sometimes a high priority unit deployment overseas on short notice will require waiver of these policies to maintain unit integrity and keep trained teams together. Sometimes we waive them deliberately to avoid later problems; for example, in deploying a unit to Vietnam, where the tour is 12 months, we deliberately allow some people with only 8 or 9 months' service remaining to go, so that the replacement of those people will be staggered and not occur all at one time which could destroy the operational capability of the unit.

These exceptions are closely controlled. Ninety-seven percent of the PCS moves are controlled right from DA under the policies and exceptions I mentioned. The remainder made in the subordinate commands are monitored, along with all PCS moves, every month in my staff. I believe we have had some success in keeping these exceptions down as the average time between PCS moves for both officers and EM is now 24 months, whereas in 1955 it was 16 months.

Another reason why exceptions must be made is the numerous occasions of unprogramed requirements which arise. In calendar

year 1962 it was Vietnam and Cuba; in 1963 it was further buildup in Vietnam and reorganization of the Army. For example, in 1963 we had a number of short notice aviation deployments to Vietnam. To meet the skill requirements and deploy a combat ready outfit, we had to waive the 18-month policy for certain soldiers. We also sent some over with less than 1 year to go to ease the replacement problem later.

In the reprogramming hearings last week, mention was made of an individual who had moved nine times in 8 years, and another who was moved with less than 1 year to serve. I believe the latter case has already been covered, but let me explain how the former case might occur.

Mr. FLOOD. I am sure no one on this committee is talking about Vietnam.

General RICHARDSON. No, sir.

Mr. FLOOD. As of now, or if the lid goes off tomorrow. You are on your own there and all bets are off. Do not worry about that one as far as I am concerned. But there is the rest of the world that we are unhappy about.

Mr. WHITTEN. If I may interrupt.

When a case was called to your attention last year and the name was available to you, and you come in here and fail to tell us what you did, it appears you have failed to correct the basis for the criticism.

What happened in the case? When you are talking about something that might have happened, you are not answering the charges.

General RICHARDSON. I read the last year's committee hearing.

Mr. WHITTEN. Did you call and ask who it was so you could correct it?

I am trying to find out if you are on top of it. If this committee called your attention to a case, I think you are remiss in not trying to correct this thing. I am just speaking as an individual.

General RICHARDSON. Yes, sir.

Mr. SIKES. Finish your statement.

General RICHARDSON. Take Corporal Jones starting in the—

Summer of 1956: Sent overseas, short tour (Korea).

Summer 1957: Returns to CONUS, joins a unit at Fort Jackson.

Summer 1958: A high priority requirement arises in his MOS in unit at Fort Benning and Jones is selected.

Summer 1959: Jones volunteers for Special Forces; sent PCS to Fort Bragg after jump training at Benning.

January 1961: Levied for oversea assignment (has 2½ years in CONUS at this point), is sent to language school PCS for 6-month course.

June 1961: PCS overseas (Europe, 24-month tour).

Summer 1962: Unit to which assigned overseas restationed within Europe to improve readiness status.

Summer 1963: Returns to CONUS at end of 2-year tour.

Summer 1964: Separated from service.

That's nine moves in 8 years, and each one a logical requirement.

Finally, gentlemen, may I point out some of the limitations we work under, peculiar to the Army, in the PCS area.

First, we have a large portion of the Army overseas, nearly 41 percent in fiscal year 1965; we must maintain this oversea strength with a policy of reasonable and equitable rotation if we are to retain qualified personnel. This requirement alone takes 41 percent of the moves and 73 percent of the money in our PCS budget.

Secondly, we rely principally on the draft and the 3-year enlistment to maintain our strength of 974,000 men. Taking these people in and letting them out at 2- and 3-year intervals requires 48 percent of the moves and 17 percent of the dollars in the travel program.

The remaining 11 percent of the moves and 10 percent of money is that which is necessary to send personnel to school for training, activate and inactivate units, and maintain combat readiness of units both overseas and in the CONUS. We are well aware of what personnel turbulence does to both combat capabilities, and to individual morale and retention rates, and we continually strive to keep movement to the absolute minimum.

Mr. FLOOD. Let me ask you about homesteaders.

Several years ago this committee went after these gravy train riders we all know as homesteaders. The Zone of the Interior was crawling with them. A lot of fast-talking NCO's who have been in the ZI anywhere from 5 to 15 years and have not gotten any further than New York City. We started to do a job on them 3 or 4 years ago. How do you look today? Have you caught up with these?

General RICHARDSON. We have continued that same program you mentioned we started 3 or 4 years ago.

I do not have any specific statistics, but we have cut down the number who have been in the continental United States for a long time.

On the other hand, there are certain places where it is well to have people stay for quite some time if we possibly can.

Mr. FLOOD. I know about this. I am talking about the homesteaders. This place was crawling with them about 8 years ago.

General RICHARDSON. We made a list of those who had been in the United States the longest, according to their MOS's, so we could properly use them, and as the requirements came up for personnel with that MOS and grade overseas, we started taking them off the top of that roster, and we have been working right down.

#### CHANGE OF STATION WHEN NEARING RETIREMENT

Mr. SIKES. What difficulties do you see in attempting to impose a requirement that a man who is nearing the end of his enlistment period, and who has indicated his intention of retiring, not be sent to a duty station for which the tour of duty is longer than he has time remaining in the service?

I am thinking about the 19-year man who has indicated he is going to quit when he gets to 20. He has six children. He has picked up a lot of household equipment. It would cost a lot of money to move him, his family, and equipment and furniture. Why not attempt to limit that man to a duty station for which he has time remaining to serve out which is normal for that station?

Mr. FLOOD. And as near to his home base where he wants to go as the rule of reason would permit. This is a Regular Army man. He is entitled to a break. In my opinion, he is entitled to everything you can hit him with at that last stretch without wrecking the U.S. Army

and the U.N. If the man wants to go to Mobile, why do you not stretch a point and send him some place near Mobile. You know the problem. You would like to do it yourself. Why not give this top-kick a break after these many years. It is not going to wreck the Univac machine, or upset anyone's digestion.

General RICHARDSON. We try to do it.

Mr. ANDREWS. I received a letter this morning from the wife of a man who had been overseas, I do not know how long. She has a home and four children in Augusta, Ga., and her mother is an invalid living with the wife. He is forecasted.

General RICHARDSON. Yes.

Mr. ANDREWS. To Camp Gordon. He gets Fort Bragg. He has perhaps less than a year to serve.

This wife's mother is in her eighties and her leg amputated not long ago, and they are all living in Augusta.

Mr. FLOOD. Where did he go, Seattle?

Mr. ANDREWS. Fort Bragg. Closer than Seattle, but not close enough.

Mr. FLOOD. What about these career good soldiers? He should get everything he can get.

General RICHARDSON. This we want to do, and we try to do it. We have some statistics here on how close we come to the request of these people as they return from overseas.

Mr. FLOOD. I think you do, but I want you to try about twice as hard.

General RICHARDSON. We want to try twice as hard, right. We are hitting between 35 and 40 percent of those E-7's to E-9's returning from overseas to give them their exact station of choice when they come back to the United States. We are hitting between 35 and 40 percent that will get within their Army area.

Mr. FLOOD. Is that percentage good, do you think?

General RICHARDSON. Yes, sir; it is good. It depends on requirements at the station where the man wants to go. Then if we send him there and he is excess or overstrength, we get in the other area where he is unhappy because he does not have an assignment. Our whole effort is directed toward giving these older soldiers—

Mr. FLOOD. I do not believe that. I think you are trying, but it is not your whole effort. You better strike that out and start over.

General RICHARDSON. We will strike out "whole" and say our effort is toward that.

Mr. FLOOD. Let's have a little more effort.

General RICHARDSON. Yes, sir.

Mr. SIKES. I have not had a response to my suggestion.

General RICHARDSON. No, sir.

We have a policy in effect just as you asked about. Sometimes if a man has come back from overseas and he still has say 4 years of service left before he wants to retire, and we cannot put him at the post, or area, where he wants to go, we will try to move him before so he will have at least a year to do at the post where he would like to be when he retires.

Mr. SIKES. I do not think we are approaching it from the same direction. I am talking about the man who has a year or less to go, and you send him to Germany so at the end of a year you have to bring him back and his family back and his furniture back, whereas if

you had sent him to a station which has a 12-month or 13-month tour of duty, you would keep him in the United States, and you would save money.

General RICHARDSON. And it would only be an exception when we would send him to Europe if he only had a year to do. It would be some unusual requirement.

Mr. SIKES. You mean you try to do what I have suggested?

General RICHARDSON. Exactly, sir.

Mr. SIKES. I sure get a lot of letters saying you are not doing it.

Mr. FLOOD. I believe you, General. You are at the top of the ladder. The trouble with this town is, when you tell Mr. Sikes that that is your policy, I believe you. All these jokers in the room with you, they believe it. They are doing it. But when I get downstairs, this gets snafued. You will never know about it. I will never know about it. I think you are telling the truth. Somewhere between "a" and "izzard" there is no followthrough. I do not know how good your golf is. You make a heck of a swing at this, but the followthrough is lousy somewhere enroute.

The boys from bird colonel down do not think you mean it. You say keep off the grass, but you do not say, keep off the grass positively; and unless a light colonel hears "grass positively," he substitutes his opinion for yours.

Mr. SIKES. I think you get the point.

General RICHARDSON. I have gotten the point. This is my responsibility and I will certainly look at it.

Mr. SIKES. There is a big gap between what you want and what is happening.

Mr. FLOOD. You are a staff officer now. You have been with troops a long time. It is a different racket. You better take a look.

#### NUMBERS OF MOVES PER INDIVIDUAL PER YEAR

Mr. SIKES. One further question in this area.

You have stated that you have reduced the average length of time in station to 24 months.

General RICHARDSON. The length of time our average career individual stays at a station between PCS moves has increased from 16 months to 24 months. This is an average time, sir.

Mr. SIKES. That is in the United States.

General RICHARDSON. Officers stay in the United States on an average that length of time.

Mr. SIKES. Then the example that I have before me is not quite apropos, but I am sure it will give you reasonable concern as it does me. You show an average for the year of 102,559 officers, 895,556 enlisted men. You also show permanent change of station type of travel for 1965 for 74,323 officers, which is almost three-fourths of the officers on duty, and you show permanent change of station type of travel for enlisted men for 925,671, which is more than one change of station per enlisted man for the next fiscal year. So this is still an aggravated problem we think can be, and must be, improved.

Mr. FLOOD. What about junior grade officers and their wives and their families and their real estate and their problems?

General RICHARDSON. We are very interested in them. We want to do for them the same thing, and stabilize them, and keep the family together as much as we can.

Mr. FLOOD. That is certainly paving the place with good intentions. These fellows are afraid to write to their Congressmen. The enlisted men are not. Someone up for two bars gets a little gun-shy. Are they getting kicked around? I do not hear much about them, do you?

General RICHARDSON. No, sir; and I do not think they are getting kicked around.

#### REPERCUSSIONS FROM CONGRESSIONAL COMPLAINTS

Mr. OSTERTAG. Right on the point raised by Mr. Flood about being afraid to write their Congressmen, I think it is appropriate to throw into this whole issue the question of what effect and what is the attitude of the Army toward the Congressmen, who are representatives of the people.

Do you feel it is a clear, cut and dried proposition that there is no discrimination because of congressional interest and concern?

General RICHARDSON. I think very definitely there is no feeling within the service there is anything wrong with a man writing to his Congressman, or the Congressman inquiring about the man.

Mr. OSTERTAG. Mr. Flood was talking about your level at the top of the ladder. Perhaps not there, but when you get down where the command has the authority to make these decisions, does it not prevail there?

General RICHARDSON. I do not think there, no, sir.

Mr. FLOOD. Oh, General.

General RICHARDSON. I think we have gotten rid of that.

Mr. FLOOD. Let me assure you, you have not, and you never will, in your Army or any other Army. Any one from battalion down will kick the brains out of anyone he finds writing to any Congressman, drunk or sober, and if he will not, the topkick will. Do not kid the troops here.

Mr. OSTERTAG. Is it not possible, if that does exist, to overcome it?

I am disturbed about it. Our interest in the service and the Army is just as great as the interest of the Army in itself. But these individual cases arise where the servicemen feel they would like to have a little guidance, or assistance, from a Member of Congress.

All right. Many of these problems come up through friendly sources, as you well know. When they do arise, and when a member of the service reacts to his fear, or discloses his fear as to what is happening to him because he has done it, or because he is afraid to appeal in the first place, I think it to be most unfortunate, and I am wondering how that situation can be dispelled or eliminated completely.

You say you do not believe it exists. Mr. Flood and I are inclined to take issue with you. I think every Member of Congress will.

General TAYLOR. Perhaps I could give a personal opinion.

In the first place, when a soldier has a legitimate grievance—and here again we are down at the company and platoon level—we encourage him to take the grievance to the man who is responsible, and that is his immediate commander.

Now, I like to think, and I do think, that in most cases the commander applies commonsense and if the soldier's grievance is actually legitimate, and if it is within the authority of the company commander

to resolve the problem, that commander resolves the problem and that is the way most of the day-to-day problems are resolved.

Now, if the company commander would apply bad judgment, which we hope does not happen too often, and the soldier is dissatisfied, he is discouraged, I know of no organization where the soldier cannot go to his next higher level of command and right on up. I have had many private soldiers come to me as a division commander.

In any case, this is the system that is encouraged, to use the chain of command to try to resolve their grievances.

They are also perfectly free to use our Inspector General system. If the soldier feels that there is a personality problem, or he has not gotten fair treatment and the chain of command is not giving this to him, then he is perfectly free to go to the Inspector Generals, who, I like to think, are normally highly qualified and completely unbiased.

If he still does not get his problem resolved, or if at any time throughout the period he wants to write to a Congressman, then I know of no bar with respect to that. I know of no—and I am speaking about the Army in the last few years—I know of no case where any type of discriminatory action has been taken against a soldier.

Mr. FLOOD. There is where I leave you. Of course you do not. At that point I leave you. Up to that point you made a good statement.

I am not going to say what you know and I know. I know perfectly well, and if you do not you should, what goes on from that point on. Up until that time, you are 1,000 percent right.

I want to enter a doubt upon the record about the integrity of the Inspector General service in these cases. More and more I get the impression you are sending the Devil to investigate hell in a lot of these cases, but that is my reaction, generally speaking.

I leave you at the point where nothing happens from that point on. I know it does. I will never be able to be convinced it does not. You cannot prove it. This man ought to have brains enough to know if he takes a chance he is sticking his neck out and he is on his own. Seven cases out of ten, nothing will happen. Three cases it will. That is just too bad. So he has the wife write the letter to me, and she says "my husband does not know I am writing this, and do not tell him." I am not supposed to know about that. Do not tell this committee nothing happens.

Mr. OSTERTAG. Let me ask this question right at this point: If a Congressman takes a matter up in the interests of a certain serviceman, is his record marked by virtue of that?

General TAYLOR. I do not believe so, sir. Copies of the correspondence—if it is correspondence, I believe, would go into the man's record.

Mr. OSTERTAG. There used to be a symbol. I think it is "PI" for "political influence."

Mr. FORD. We have seen those files, here, but that was 10 years ago.

Mr. OSTERTAG. You ought to know whether that is so or not.

Mr. WHITTEN. I understand the correspondence goes in the file, so I don't think you need to put "PI" on it.

Mr. SIKES. I went into this a year or two ago and it is my understanding that the correspondence does go into the man's file. There is no marking to indicate "PI" or anything of the sort. The correspondence is simply put in the man's file.

Mr. SIKES. Just as does the other correspondence on the man.

Mr. FLOOD. He wrote the letter, it is his file, and that is his problem.

Mr. WHITTEN. Could I ask one question there:

Now, if a man wrote to his Congressman and the Congressman wrote back, would it follow that any correspondence concerning the man, whether his father, grandfather, or friend wrote it, does everything concerning a man get stuck in his file, even though he might have been unaware of it?

General RICHARDSON. Yes. If it pertains to that man, it would normally go in his file.

#### RECOMMENDATION REQUIRED FOR REENLISTMENT

Mr. SIKES. May I ask this: Is it true now that a unit commander must recommend a man for reenlistment before he is permitted to reenlist?

General RICHARDSON. Yes, sir.

Mr. SIKES. How long has that been true?

General RICHARDSON. Since, I think, May of last year, sir.

Mr. SIKES. Is it your feeling this is a sound proposal?

General RICHARDSON. Yes, sir; this should improve our quality.

Mr. SIKES. Do you have apparent apprehensions about the problem of personality, a clash of personality between the CO, and the enlisted man?

General RICHARDSON. No, sir; no, sir.

Mr. SIKES. It could happen.

General RICHARDSON. It could, but it would be such a minor number of times if it did happen—

Mr. SIKES. My point is, Is there any appeal from this unit commander's adverse recommendation? Is the man out of court if he doesn't get his unit commander's recommendation?

General RICHARDSON. No, sir. As General Taylor said, he can go to the next senior command and appeal his case to him, so we get broader judgment into it.

#### OFFICERS OBTAINED FROM ROTC, OCS

Mr. SIKES. You discussed the problem of maintaining officer strength. To what extent can that problem be improved through ROTC and to what extent has that problem been aggravated by efforts to cut down on or drop in ROTC programs?

General RICHARDSON. During fiscal year 1963 and fiscal year 1964 we are taking all ROTC graduates for a full 2-year tour. All those who are not deferred.

Mr. SIKES. Is the number of ROTC graduates up or down?

General RICHARDSON. It has been pretty level the last few years.

Mr. FLOOD. What do they look like, coming in?

General RICHARDSON. They look good, sir.

Mr. SIKES. Are you losing any ROTC units yet?

General RICHARDSON. I am not aware of any, but General Wright, who is in charge of our Reserve Components Office, will be before you later.

Mr. SIKES. Then I will discuss this further with him.

Are you in a position to tell us whether you are stepping up your efforts to obtain officer personnel through OCS, in the fiscal year 1965 budget?

General RICHARDSON. Yes, sir; we are. Fiscal year 1964 and fiscal year 1965, we are running about even in the 2 years, sir; and this is a combination of increasing our effort within the service for the enlisted man who goes to OCS, as well as a college option program we started last year, wherein a college graduate from a college that does not have ROTC, but is interested in the military, can go directly into OCS and when he finishes, he will be commissioned.

Mr. SIKES. Is this something like the Navy has had for a number of years?

General RICHARDSON. Yes.

Mr. SIKES. That has been a good program. The Army has adopted that program?

General RICHARDSON. We started it this past year.

Mr. SIKES. How many officers do you expect to obtain from that in fiscal year 1965?

General RICHARDSON. For fiscal year 1965 in our officer candidate school we are programing a total of 1,800.

Mr. SIKES. 1,800 from OCS?

General RICHARDSON. Yes, from OCS.

Mr. SIKES. How does this number compare with previous years, 1962, 1963, and 1964?

General RICHARDSON. In fiscal year 1964 we had programed 1,629 so that is an increase for fiscal year 1965 of almost 200. In fiscal year 1963 as I recall it was about 800.

Mr. SIKES. I am glad to see this increase. I think it is a program that is a good program. I think that a leavening of officers who have had service as enlisted men is a good thing for the Army. I think it could be increased further. I think here is a fertile field where you can obtain a substantially greater number of officers than you now do obtain.

#### OFFICERS OBTAINED FROM ENLISTED RANKS

Of the 1,800, how many would come directly from college and how many from enlisted ranks?

General RICHARDSON. We are programing it to be 50-50.

Mr. SIKES. You haven't increased the number coming directly from the ranks by very much, have you?

General RICHARDSON. Around 100 to 150.

Mr. SIKES. Surely in the 975,000-man Army there are more people than that who are qualified to be officers, in the enlisted ranks?

General RICHARDSON. We are getting a good voluntary effort from our enlisted men for the Officers Candidate School; yes, sir.

Mr. SIKES. But there is no particular interest on the part of the Army in increasing the input from enlisted ranks?

General RICHARDSON. Yes, sir; there is. We want to get more from within the ranks and in our programing, I would say about 50 percent would be from the college option program. If we don't meet that quota, the other part of the quota will come from within the ranks.

Mr. SIKES. I would like to have an estimate submitted for the record showing why the Army has not made a greater effort to obtain more officer candidate personnel from enlisted ranks.

General RICHARDSON. Yes, sir.

(The information requested follows:)

The Army has been increasing its effort to obtain more officer candidate personnel from enlisted ranks. Officer Candidate School has long been recognized as a valuable source of officers which provides an opportunity for Active Army enlisted personnel to enhance their military service by obtaining a commission.

In early 1963, facilities of the Officer Candidate Schools were expanded to increase the output from OCS from 600 to 1,800 per year. At that time, commanders worldwide were charged with the responsibility for strengthening efforts to obtain the maximum number of qualified applicants so as to provide the widest possible range of selectivity of candidates. Again in August 1963, in order to reemphasize the program and especially to bring it to the attention of new commanders, personal letters were dispatched urging major commanders to intensify their efforts in this area.

The response to this appeal has been most gratifying. Classes during the month of December 1963, were filled to capacity for the first time in many months. The officer production from OCS has been increased from 565 in fiscal year 1961 to 781 in fiscal year 1963. For fiscal year 1964, it is anticipated that there will be an input of some 3,200 officer candidates, with about 1,600 being commissioned during fiscal year 1964, and about 1,800 being commissioned in fiscal year 1965. This represents an increase of some 220 percent over a period of 5 years.

Efforts will continue to publicize this program to the enlisted personnel.

#### UNNECESSARY STORAGE OF HOUSEHOLD GOODS

Mr. SIKES. There has been discussion of means to achieve savings by cutting down on unnecessary storage of household goods. Is that something we might properly discuss here?

General RICHARDSON. I am not prepared to discuss it.

Mr. SIKES. Has anyone here information on that?

General MAROUN. Is this from the GAO report?

Mr. SIKES. I will read you what I have here.

This is one area of general agreement between GAO and the services. Drives have been launched to eliminate an estimated \$1.2 million yearly losses attributed to unnecessary storage of household goods. These are: (1) failure of transportation officers to have the goods delivered, available quarters upon arrival; (2) failure of incoming personnel to inform TO's where the goods should be delivered or to make arrangements for household goods to be accepted at their quarters when they are on leave, and (3) failure of the TO's and housing officers to coordinate assignment of available quarters in time to prevent temporary storage.

Is this being implemented?

General MAROUN. We generally agree with the GAO report in this instance and instructions have been issued to preclude further unnecessary storage of military shipments of household goods.

Mr. SIKES. It is being implemented?

General MAROUN. Yes, sir.

#### MILITARY UNITS AT PUBLIC AFFAIRS

Mr. SIKES. I asked a year ago about greater use of military personnel—bands, parades, and units—at fairs and other public gatherings. I feel very strongly that it is a good thing for the service, and a good thing for the country for us to show the flag, for us to have marching units. For a long time we had been working in the other direction, as a matter of policy. We have been trying to get away from that. We said we didn't have the money.

Now, has there been any change in policy and is it still difficult to get a marching unit, or a band at a county fair?

General RICHARDSON. Not if they request it, and may I read something on that?

Mr. SIKES. If they request it and pay for it?

General RICHARDSON. If they request it and pay for it; yes, sir.

Mr. SIKES. That is the whole hitch. They frequently don't have the money to pay for it.

Now, what is your feeling about this matter? Don't you think it is worthwhile for the services to have your marching units appear in public at these activities where normally they would not be seen?

General RICHARDSON. Well, for Armed Forces Day activities in the cities near the posts, camps, and stations, such as those we do have a marching unit and our bands and so forth appear.

Mr. SIKES. I am thinking particularly of those which aren't near the posts, camps, and stations. That is where it is needed more. They don't get to see the units as often and see the flag paraded as often. I think it is a fine thing to do.

I am trying to get around to saying that I think you people should budget funds for this purpose. Apparently that is not now being done, nor do you propose to do so.

General RICHARDSON. We do not have anything in our budget for that—in this part of the budget.

Mr. SIKES. Have you requested it?

General RICHARDSON. No, sir.

Mr. SIKES. Do you think it would be a good thing?

General RICHARDSON. It would help the image of the Army in the country; yes, sir.

Mr. SIKES. Of course it would. That is why I wonder why there isn't more enthusiasm for it within the armed services; more support for it. I am trying to help you sell yourself.

Mr. WHITTEN. Will the gentleman yield to me?

Mr. SIKES. Yes.

Mr. WHITTEN. Isn't it a fact, General, under the budget process you build all this up, but when finally everything is said and done your budgeting works in the reverse? The Defense Department will give you a ceiling and under that ceiling if you were to do as my colleague suggests, he would put you under a ceiling and you would have to do this at the expense of something else, so it is for that reason that lots of things you think are wise, because of the ceiling imposed on you by the Defense Department, it gets lost by the wayside when you have to select what you may have under that ceiling, isn't that about the way it works?

General RICHARDSON. In our budget we put in what we recommend—

Mr. WHITTEN. I will listen to you until you get through, but I have asked a question and I will ask it again, if in the final go around they don't slap a ceiling on you and say, "That's it, and under that you can move around."

General RICHARDSON. They review our budget and the line items we have in it and they either approve or disapprove what we have requested and many times of course they don't agree with it and they disapprove what we have requested.

Mr. FLOOD. As a matter of fact, this is controlled at the defense level, isn't it, by an Assistant Secretary of Defense for all services, these assignments of special services? Isn't it under the Department of Defense, rather than the Army; assignment of bands and special units like that?

General TAYLOR. I am sure the policies are established there.

General RICHARDSON. The policies and the dollar control of it are established from up there; yes, sir.

General MAROUN. Last year when you brought this up, Mr. Chairman—of course this is not in the MPA budget which might be confusing. This is O. & M. money for TDY travel and there has been a concerted effort made to get the word to the appropriate people of the committees interested, and which we agreed at that time was a very fine thing.

#### SCHEDULE OF EXHIBITIONS FOR 1965

For example, the U.S. Army Field Band, which is the Army's touring band, plays an average of 100 free concerts in the United States each year, for which we budget.

Planned too is a trip at Government expense in the spring of 1964 through the Southwest. In the fall of 1964 to the Northeast, and in the spring of 1965 to the west coast, and the fall of 1965 to the South—

Mr. FLOOD. Let me make a suggestion, there: There is nothing more irritating to a Member of Congress, whether he has been here 1 year or 20, than to pick up the paper one morning and find out where the Army Band played in one of the cities last night. If you are going to all this trouble, as you are going, and this is commendable and I am for it—for heaven's sake, get one of these WAC girls to at least set up the TO, on this thing, will you and tell this Member of Congress, before the band gets there, that you have reasonable cause to believe that it will be there.

General MAROUN. I believe your point is well taken.

Mr. FLOOD. That is why I made it.

General MAROUN. That is why I am giving this schedule for the future, sir.

Then the U.S. Army Field Band's chorus tours with the band and also makes appearances with the band at civilian events.

Then we have parachute teams. The U.S. Army parachute team averages 100 public performances a year. Billeting, messing, and transportation costs for this team and other Army sports and parachute clubs, however, are generally assumed by civilian sponsors and since they are willing to do this, we have not objected, of course.

Then the U.S. Army Exhibit Unit, run by the Chief of Information, has approximately 25 major mobile exhibits which are shown throughout the country at appropriate public gathering places. These exhibits were viewed by more than 15 million persons in the first half of fiscal year 1964.

Other Army agencies displayed to a limited degree similar exhibits.

Then troop demonstrations, in addition, we have certain troop and equipment displays which are seen by the public in local community events in installation open houses. I think, Mr. Chariman, you are familiar with the 3d U.S. Infantry (Old Guard) performance in Washington; there were many favorable reports received on that.

Then the Special Forces Command at Fort Bragg has demonstrations and the Ranger School at Fort Benning, also. There are also other Army units throughout the country who provide marching troops, color guards, drill teams, and similar participation in appropriate civilian events in their local areas.

There are other major events for calendar year 1964 which are planned or anticipated. For example, the New York World's Fair from April to October; Armed Forces Week in May; Flag Day in June; Independence Day in July; the Boy Scout Jamboree and Veterans' Day in November.

So we feel we have been responsive to the suggestion made by you last year.

Mr. SIKES. This is good.

Now, tell me, who is responsible for—

Mr. FLOOD. May I add one thing, there, Mr. Chairman?

Mr. SIKES. All right.

Mr. FLOOD. Now, I am not kidding about this; you think I am.

General MAROUN. No, sir.

Mr. FLOOD. Around town here we are up to our you-know-what in generals and admirals, but the minute you get a hop, skip, and a jump outside of this town, admirals and generals are very important people. They are sacred cows. Nobody has ever seen one. This is very important business. And when you have some kind of a convention or whatever kind of a gathering you have that is worthy of note—I don't mean just some PTA meeting in the basement of some high school, but some large affair, any town in the United States—now it is important to have a general officer or a flag officer within the rule of reason, show up there, instead of bogging them down, here. Out in the provinces this is a big deal and it does us all a lot of good. And for some reason or other—it doesn't matter whether they can talk or not, if he has his uniform on and can read, this will do.

General MAROUN. Sir, I might say we wholeheartedly agree with you. In fact, I made a trip with Congressman O'Konski once to Wisconsin for this very thing. I agree.

Mr. WHITTEN. Do you mean all of us have to get out of Washington to have any standing? Is that what you agreed to?

General MAROUN. I would defer comment on that.

#### SIZE OF NONDIVISIONAL BANDS

Mr. SIKES. Let me ask you, who is responsible for reducing the division band or the post band from 44 to 28 men?

General RICHARDSON. This was a TOE change and this would come under the Assistant Chief of Staff for Force Development.

Mr. SIKES. This would not be properly discussed at this time?

General RICHARDSON. No, sir.

Mr. SIKES. There is nothing that looks any punier than a 28-man band trying to lead a parade. You can't hear them if the wind's not blowing to you. And I think that order should be revoked and we should have enough people in the band to make it look impressive. Is there any disagreement?

General RICHARDSON. No, sir, although this is not in my area.

Mr. FLOOD. I agree with Mr. Sikes on that 1,000 percent.

Mr. SIKES. Just in case we do not have the proper people before us to discuss this matter, I would like to have something prepared for

the record on the reason for this. I know the reason for it; it is economy of personnel, but I think there are ways in which this could be overcome to better advantage than in cutting down the size of the band. And I would like to have some information about what steps would be needed in order to restore the band to a level more in keeping with the prestige and importance of the U.S. Army, Navy, and Air Force.

(The information requested follows:)

Nondivisional bands have been organized, since 1958, in accordance with a TOE which reflects a 42-piece band or a 28-piece band. The 42-piece band is authorized on the basis of one per army and one per corps. The 28-piece band is authorized on the basis of one per training center, installation, or group of installations, with a troop population of 5,000 or more not otherwise authorized a band. All Army and post bands are organized accordingly. There are 18 42-piece and 57 28-piece nondivisional bands.

Divisional bands are organized under the division TOE which reflects a 42-piece band. All of the bands of the Active Army divisions are organized accordingly except for the 1st Cavalry Division and the 7th Infantry Division which are organized as 28-piece bands. In 1957, these two divisions were organized under the reduced column of the TOE which reflected a 28-piece band. During subsequent reorganizations of the divisions, CINCUSARPAC has requested that these bands remain at a strength of 28 because of higher priority manpower requirements in other units.

To bring all bands to a strength of 42, each would require that 14 military spaces be transferred by the Department of the Army from other high priority units, for a total of almost 800 spaces which is generally equivalent to a battalion-sized unit. A request could be forwarded to DOD for 800 additional spaces and, if approved would be restored to the bands.

Mr. OSTERTAG. Will the chairman yield to me right at that point?

Mr. SIKES. Yes, sir.

Mr. OSTERTAG. General, back in my day of service in the Army, bandsmen were trained and utilized for other purposes. That is, they didn't just play their instruments. They did, of course, for normal parades and procedures, but when the time came for their unit to go into combat and in actual service, they had training and were capable of performing other services. Does that exist today, or is a bandsman today just a bandsman and nothing more or less?

General RICHARDSON. No, sir. Down in a unit, such as a division, for example, where you have a division band—the man's primary duty, of course, is a bandsman, but that division band is used for other matters when they are out in the field. They are used on security detail, litter bearers; they receive training in many other areas of just straight soldiering. They can handle a rifle and defend an area and are used in these ways.

Mr. OSTERTAG. Well, where is the economy or where does it apply, other than perhaps any expense for travel or otherwise. They exist today and you are not losing any service by their remaining in a musical unit.

General RICHARDSON. That's right, but this would only—if we increased the size of the band this of course in turn increases the size of the division and it takes away from some other area in which we need personnel within our total resources.

Mr. OSTERTAG. My point was that the bandsmen, that is, those in the musical unit, are trained and can be trained for other services so it is a dual proposition. Therefore I don't see where the maintaining of a standard number of military people—I mean musical people—reduces the end strength of any unit, or any organization.

That was my point. I didn't know whether a bandsman or musician in a musical unit could perform two types of duties.

General RICHARDSON. He does other duties.

Mr. WHITTEN. I don't want to get away from the fact that I was going to continue to ask my question until I got it answered, General, and I am going back to it. This is in the criticism. Sometimes we ask a question and frequently the answer doesn't get in the record, but the question was, after you build up the requests and total them and submit it to the Department of Defense, they in turn submit it to the Department—the Bureau of the Budget, the Budget Bureau sends back to the Department of Defense a ceiling. The Department of Defense calls you and the Air Force and the Navy in and gives you a ceiling and then you have to work backwards. That is about the way it works, is it not?

General TAYLOR. Sir, I perhaps am the one who should speak to that, from the Department of the Army viewpoint. It does not work that way, sir.

On very, very many issues, individual decisions are made and we have no such thing as having them come back with a ceiling and saying, "Do you want to lose this or this or this?"

Mr. WHITTEN. You call a conference between Secretary McNamara and the Army, or the Secretary of Defense, and the Army to determine a ceiling. You don't mean there hasn't been a contest between you and the Air Force and the Navy as to who is going to get the defense budget? It happens every year.

General TAYLOR. There is always competition.

Mr. WHITTEN. So you end up getting your cut, do you not, sir?

General TAYLOR. There is not a ceiling, as such. I won't say that there are not enough cuts made to arrive at figures—none of which are known to me, as the Army's budget officer. At the same time, sir, we do not have a directed ceiling on the Army budget. In the budgeting and programing system they address the individual issues.

Mr. FLOOD. If the general will yield, it is only recently that the practice you are talking about now has been the practice.

General TAYLOR. That is correct.

Mr. FLOOD. A few years ago under certain other Secretaries, that was it, and you were told what it was, period.

General TAYLOR. I agree.

Mr. WHITTEN. This leaves it where under this procedure there would be a much better opportunity for the Army to do as Mr. Sikes has suggested. Where you had a right to argue your detail, as against the former practice where you had to compare this with something else where you might wish to have a little more. Is that right?

General TAYLOR. Yes.

Mr. WHITTEN. A few years ago—we wrote some language in one year's bill, as I recall it, regarding a revolving fund for the movement of household goods and other things. There might be a group returning where there was no special interest in it and also would have household goods available for resale on a usable basis. Are you familiar with that? Was it ever implemented or ever used in an effort to prevent this hauling backward and forward? Perhaps you sent a couple with no children someplace and the furniture is more or less average and you try to keep from bringing it back and all that.

General MAROUN. If you are speaking of the 2,000-pound limitation on going to, for example, to Germany, so you wouldn't have to take all your furniture over and then bring it back, they did furnish some. Is this the question that you had in mind?

Mr. WHITTEN. My memory could be faulty, but I do not think it is. I think it was my own proposal, to provide a revolving fund where you could buy and resell so you would not need to haul furniture to a base while you were hauling it back when there was but \$50 worth of difference in the furniture.

Nevertheless, we can clear that up later.

We hear much about the West Pointers as against those from the ROTC and those who come from the ranks.

#### COMPARISON OF SERVICE OF ACADEMY AND ROTC OFFICERS

Could you give us a breakdown and show us the comparison—I know you have it—of the length of service in the various grades of the officers who come from ROTC and those who come from West Point and those who come from the ranks?

General RICHARDSON. I can get it for you. I don't have it with me.

Mr. WHITTEN. We frequently have these points raised. If we could have it for the record, we would appreciate that.

General RICHARDSON. We would be happy to supply it.

(The information requested follows:)

The most recent data available on source of first commission for male commissioned officers on active duty are based on the November 30, 1962, strength. As of that date male officers procured from U.S. Military Academy, ROTC, and OCS were serving in the various grades through colonel as follows:

Source of commission	Total	Colonel	Lieutenant colonel	Major	Captain	1st lieutenant	2d lieutenant
USMA.....	7,757	1,143	973	1,691	2,250	980	720
ROTC.....	42,671	2,034	2,383	2,080	10,288	9,602	16,284
OCS.....	23,345	470	6,252	7,223	6,952	1,279	1,169

The median years of active Federal commissioned service at time of promotion to each grade shown based on the most recent promotion selections is:

Colonel: 21 years 10 months.

Lieutenant colonel: 17 years 7 months.

Major: 11 years 11 months.

Captain: 4 years 0 months.

First Lieutenant: 1 year 6 months.

The breakdown by source within each grade is currently not available.

#### TRAINING OF AVIATORS

Mr. ANDREWS. At page 5 you say:

We have expanded our flight training program in order to secure more warrant officer aviators.

What has been your experience with the training of noncommissioned officers as aviators?

General RICHARDSON. To be commissioned as warrant officers upon graduation, our experience has been good.

Mr. FLOOD. Is this chopper and fixed wing?

General RICHARDSON. Both.

We take the man through the flight training and commission him as a warrant officer at the completion of that and he goes out as a pilot. Our experience has been good.

Mr. ANDREWS. Do they make good pilots?

General RICHARDSON. Yes, sir.

#### RATE OF ATTRITION IN AVIATION TRAINING

Mr. ANDREWS. What is the rate of attrition of the students? Do you know anything about it?

General RICHARDSON. I think I have some figures on it here, sir.

No, I don't have any facts on the dropout within the school, but I can get it and put it in the record for you.

Mr. ANDREWS. I wish you would.

(The information requested follows:)

Army experience reflects different washout rates during flight training depending upon whether the student is officer or enlisted or being trained in airplanes or helicopters. The washout rate for officers is 25 percent in airplanes and 20 percent in helicopters. The washout rate for enlisted trainees is 30 percent both for airplanes and helicopters; however, the rate of loss for airplanes is based on experience of only two classes, due to the newness of the program. In addition to losses of 30 percent of the enlisted trainees during flight training, an additional 20 percent is eliminated during a 4-week period of preflight training prior to entry into the actual flight training phase.

Washouts during flight training occur for reasons of flight deficiency, lack of motivation, academic, medical, fear of flying, and disciplinary causes. Flight deficiency is the primary loss factor.

Losses during preflight (enlisted trainees only) are primarily for lack of motivation.

Mr. FLOOD. Are they checked out on both aircraft?

General RICHARDSON. They might not be, initially. They might be trained in helicopter initially and then be out for duty and come back and be trained for fixed wing, or vice versa. It depends on what they have gone into and what they have volunteered for and what our requirement is.

Mr. ANDREWS. You do have separate, distinct aviators for choppers and fixed wing?

General RICHARDSON. We do have, but we eventually get them trained for both.

Mr. FLOOD. Do they rate wings when they qualify?

General RICHARDSON. As helicopter or fixed wing, yes, sir; they can put their wings on.

#### NEED FOR OFFICERS IN CAPTAIN GRADE

Mr. ANDREWS. Now, you also stated that you are trying to induce Reserve officers not now on active duty to come back for a tour of active duty?

General RICHARDSON. That's right, sir.

Mr. ANDREWS. Is this because of the need for aviators?

General RICHARDSON. This is not in the aviator field. Basically it is in our captain grade where we need officers. We need officers with the amount of experience of our captains.

Mr. ANDREWS. Captains and higher?

General RICHARDSON. Captains or majors.

Mr. ANDREWS. What do you have to offer a young man who is retired as a captain or a major, he has gone in business, and you want

him to come back into the service? Is it a lifetime deal with him, or just for a period of years?

General RICHARDSON. In the first place, he hasn't retired. He has gone off active duty or gone back as a Reserve officer not on active duty, but he hasn't retired, as such.

Mr. ANDREWS. Well, he is probably working, isn't he?

General RICHARDSON. Oh, yes, sir.

Mr. ANDREWS. When you call him back, you ask him to give up his job.

General RICHARDSON. That is right, sir.

Mr. ANDREWS. What do you offer him if he gives up his job and comes back into the service?

General RICHARDSON. We give him the assurance that if he meets the requirement and performs adequately, he can stay in for 20 years of service.

Mr. ANDREWS. And only time and his record will guarantee that?

General RICHARDSON. Yes, sir.

Mr. FLOOD. At that point, I would like to know something about the hocus-pocus and the abracadabra these boards go through. Here you want to get these men back into service and you have a very limited time before the committee for your main address and you spent some time on it telling us you wanted to bring back these men from inactive duty to active duty—officers.

Now, this fellow wants to come back. What is the procedure? What board is this? Who gives birth to this board? What kind of officers make up this board? Why is it so secret? Why is it when he is rejected he doesn't know whether it is because of his necktie or the color of his eyes or age, but you always say, "Nobody knows why he was rejected. We don't know if it was age, we don't know whether it was any one of nine things, but he was rejected because of a composite of something or other."

Now, where does this board sit, in what air raid shelter? where? How do they get there? who creates them? what is the yardstick? What is this all about?

General RICHARDSON. May I address the first part of what I mentioned in my statement—

Mr. FLOOD. You can give it any part of that or either way.

#### SELECTION OF RESERVE OFFICERS FOR ACTIVE DUTY

Mr. ANDREWS. Just explain the procedure. How you call this man back off of his job.

Mr. MAHON. I would like you to discuss this when you answer Mr. Andrews' question: Let's assume that the man has had 10 years' active service. He goes back in and you guarantee him—if he behaves himself and makes a good record—that he can go through and complete 20 years of service. Do you mean by that, 10 additional years to the 10 he goes in with?

General RICHARDSON. Yes, sir. He has credit for what previous service he has.

Now, we have the records of the Reserve officers who are not on active duty and whereas before, we put out a call and let people apply, this got into the point Mr. Flood was making, that sometimes they didn't know why they were turned down—

Mr. FLOOD. Sometimes they didn't know? They never knew. And I dare you to find out. I bet you can't find out.

General RICHARDSON. Now, instead of asking them to apply, we look their record over first and see if we want them on active duty and we write the personnel—we write a letter to the officer and say, "We have a need for your qualifications and a vacancy for you if you want to come on active duty, and we will bring you on."

Mr. FLOOD. Now what happens?

General RICHARDSON. If he says yes, he is recalled to active duty.

Mr. FLOOD. Oh, no, he isn't. No; he is not. Someplace or other, a board is created—one of these boards is created.

General RICHARDSON. No; this is why we reversed this procedure, Mr. Flood.

Mr. FLOOD. This is where you recall him.

General RICHARDSON. We have asked him to come back. We have already decided that we want him.

Mr. FLOOD. Now, the other case where the man wants to come back. Does he get a board because he wants to come back?

General RICHARDSON. This is not in essence a board.

Mr. FLOOD. That is all the letters that I have seen. They spell the word "board", b-o-a-r-d.

I got one, one day.

General RICHARDSON. His application is submitted to the Department of the Army and the board there—

Mr. FLOOD. That's right. What is this board—why does this one man have to have a board and the man you want doesn't?

General RICHARDSON. Because when we have gone through his records first we know whether or not we want him to come back.

Mr. FLOOD. This makes sense. Now, my man pops up and says, "I want to come back."

What does this board do?

General RICHARDSON. The board then draws—

Mr. FLOOD. What board?

General RICHARDSON. The board in the Officer Personnel Directorate.

Mr. FLOOD. What board, General? How do you create this board? Who gave birth to the board? Do the regulations provide that when this officer applies to come back, he has to go before a board, or a board goes through his records? Does he appear personally? Do they go through his files?

What board is this?

Mr. SIKES. In other words, is this a regularly constituted board which handles all such applications, or is this a special board set up for this man's case?

Mr. FLOOD. I can't find out about this board.

General RICHARDSON. I can't say specifically whether it is a board that handles all cases of Reserve officers, or whether it is a board by branch. I think it is a board by branch.

Mr. SIKES. Supply the information for the record.

Mr. FLOOD. I want to know exactly how this board is created, why it is created, and how it functions, and I want to be sure. I want to know why this officer cannot find out a specific reason as to why he was not accepted. What is the matter with telling the man, "You are

a halfwit and we don't want you. You are too fat or you have a mustache like Flood's." Tell him anything, but tell him why he was turned down. What's the matter with that? The man ought to know.

Mr. ANDREWS. I think there is a big, big difference between the man you want to come back into the service and the man who wants to come back on his own.

Mr. FLOOD. I agree with that.

Mr. ANDREWS. Now, that is the reason you have your board.

Mr. FLOOD. That's right.

Mr. ANDREWS. This board, Mr. Flood, the board you are talking about, doesn't sit in on these cases of officers whose records you have examined and determined yourselves that you want back in the service.

Mr. FLOOD. There is nothing the matter with it. I don't want to tell you what to do, I just want to know what you do.

Mr. SIKES. That will be put in the record.

(The information requested follows:)

An officer may come to active duty with the Army either by his own application or in response to an invitation from the Army.

Before an invitation to apply for voluntary active duty is extended to an individual, his records are screened to insure that he has the qualifications required to meet the needs of the service. When such an invitation is accepted, orders for active duty are issued and subsequently the officer reports directly to his assignment. The officer is not required to appear before a board.

An individual who holds a Reserve commission may, of his own will, submit an application for active duty. This application is forwarded through Reserve channels to Department of the Army. The application is checked at each intermediate headquarters during the forwarding process to determine if the officer meets basic eligibility criteria such as age, grade, and qualifications, with the final check being made at Department of the Army.

If the individual is found ineligible for active duty under these administrative criteria, the application is returned through channels citing the reason for non-acceptance. Applicants must be able to qualify for retirement under title 10, United States Code, section 3911. Ineligible for active duty under this program are retired military personnel; field grade officers, and captains with a potential AUS date of rank of August 31, 1959, or earlier; and officers released from active duty as a result of being twice passed over for AUS promotion.

When it has been determined that the applicant meets administrative criteria for active duty, the application is forwarded to his basic career branch, or to the branch of his first preference if he has indicated a desire for active duty with another branch. Within the career branch his records are reviewed to determine his qualification for active duty. Consideration is given to whether the individual possesses the potential for normal promotion through the successive grades until retirement, whether he has the potential for normal career development through progressive military schooling, whether he may be expected to perform adequately compared to other officers of like age, grade, branch, and experience, and whether he can be utilized to satisfy a requirement of the Army. If the individual meets these qualifications in his basic branch, or in the branch of his first preference, he is accepted and ordered to active duty.

If the individual's records do not meet with approval in one of these branches, they are forwarded to the second and third branches of preference, where they are again reviewed for acceptability. If neither of these branches accept the applicant, the records are referred to the executive staff in the officer personnel directorate for review to determine if he has any qualifications or potential which might be of value to any of the other branches. If so, the records are forwarded successively to all the branches which might be able to utilize his services.

Within career branches, the records are reviewed by more than one officer, although a formally constituted board is not required.

When it has been determined that an applicant is not qualified for active duty, the application is returned through channels. Many factors have been considered in the case, and it is not considered feasible or desirable to cite the specific bases for not accepting the individual. In some instances, it might work to the indi-

vidual's disadvantage to disclose pertinent information from his official file, such as efficiency report data, to his immediate Reserve commander.

Personnel who do not hold Reserve commissions may apply for appointment as Reserve commissioned officers with concurrent active duty. These individuals must appear before a board of officers to insure that only qualified personnel are tendered commissions. This board is appointed by the area commander, and must consist of at least three commissioned officers in the grade under consideration, or a higher grade. The board will be convened as close as practicable to the location of the individual concerned.

The applicant will appear before the board for interview. He then is excused while the board considers the application and allied papers. The board will not be given access to or allowed to examine the application or allied papers before the interview. The board then recalls the applicant and questions him on personal history, training, and experience to supplement the facts shown in the application and allied papers. Each member of the board makes an individual, independent appraisal of the applicant. These are forwarded to the approving authority. No applicant or any other unauthorized person will be advised of the recommendations of the examining board.

Area commanders may tender appointments within prescribed limits, except for those personnel who apply for concurrent active duty. These applications are approved at Headquarters, Department of the Army.

Mr. SIKES. Are there any further questions?

#### RECRUITMENT OF NURSES AND STUDENT NURSES

Mr. ANDREWS. What about this intensive recruiting program known as Operation Nightingale that you started in an effort to obtain more nurses for the Army? How is it working?

General RICHARDSON. The Operation Nightingale resulted in increased numbers of applicants for direct appointment in active duty. It is increasing greatly the number of applicants for educational assistance programs. Other gains have increased—

Mr. ANDREWS. Well, it is operating satisfactorily, then?

General RICHARDSON. May I give you some numbers on it, sir?

Mr. ANDREWS. Yes.

General RICHARDSON. Since the start of the program—for example, in the nurses' degree program, we had 23 apply for it in the second quarter of 1963 and in the third quarter, after the program started, we had 40 apply.

Mr. FLOOD. Is this a WAC command?

General RICHARDSON. They are in the WAC while still student nurses.

Mr. ANDREWS. And the Army pays for part of the educational expenses?

General RICHARDSON. In certain programs they do; yes, sir.

Mr. ANDREWS. They explained this to us thoroughly last year.

General RICHARDSON. Yes, sir.

Mr. ANDREWS. We were told last year you have a great shortage of nurses in the Army. The Navy said they had more applicants than they had positions for nurses. How is your nurse situation?

General RICHARDSON. We are still short. We are getting better through this program, but of course this takes a year to 2 years before they are graduated and commissioned.

Mr. ANDREWS. Percentagewise, how do you stand with reference to your need? How much of that need have you filled with nurses in service at this time?

General RICHARDSON. We have a need for 5,000 nurses and we have about 3,000 on hand right now.

Mr. ANDREWS. You have a long way to go?

General RICHARDSON. Yes, sir.

Mr. FLOOD. I saw a story that you are in bad shape on medicos and dentists, again. You are going to draft 1,000 doctors, is that it?

General RICHARDSON. The defensewide figure is about 1,200.

Mr. FLOOD. That is correct.

General RICHARDSON. We have not had as many volunteer for duty as we had anticipated and so, it looks now, starting in 1965, that we will have to draft more.

#### ARMY MEDICAL SPECIALIST'S CORPS

Mr. FLOOD. While we are in this area, what is the Army Medical Specialist's Corps? How long have they been in business?

General RICHARDSON. About 9 years, sir.

Mr. FLOOD. What are they?

General RICHARDSON. They are dietitians and physiotherapists and such as that, sir.

Mr. FLOOD. Commissioned officers?

General RICHARDSON. Commissioned officers.

Mr. FLOOD. Do they enlist, or how do they get into this?

General RICHARDSON. They get into it the same as the nurses do.

Mr. FLOOD. This is not the Nightingale show; this is something else?

General RICHARDSON. This is similar to it, not a part of it.

Mr. FLOOD. Is it?

General RICHARDSON. Yes, sir, because they can—

Mr. FLOOD. How does it work? Tell me what happens.

General RICHARDSON. They go out and recruit these girls who are going to college.

Mr. FLOOD. They are not nurses?

General RICHARDSON. That's right.

Mr. FLOOD. They are technicians?

General RICHARDSON. They are technicians.

Mr. FLOOD. And they get commissioned finally?

General RICHARDSON. Yes, sir.

Mr. FLOOD. When they are commissioned, they are in this corps?

General RICHARDSON. As soon as they finish college and get their degree, they are commissioned and go on active duty in the Army medical sector. They rank right along with the nurses and have all the privileges.

Mr. FLOOD. What rank do they get coming in?

General RICHARDSON. They come in as second lieutenants, sir.

Mr. ANDREWS. How about your male nurse program?

General RICHARDSON. We have some.

Mr. ANDREWS. What experience have you had with those people?

General RICHARDSON. I can tell you about Thailand.

When I had the joint task force down there, I had a field hospital, and I had male nurses with me down there as well as female nurses, and they were fine.

Mr. ANDREWS. Are the males commissioned officers also?

General RICHARDSON. Yes, sir.

Mr. FLOOD. I talked to some of those people, there. They liked that. I remember those fellows.

General RICHARDSON. They made good nurses. They were well trained. They all had degrees and they worked fine. As a matter of fact, it was good to have them, because we were out in the field.

Mr. ANDREWS. When you gave us a figure a few minutes ago of needing 5,000 nurses and having 3,000, does that include the male nurses, too?

General RICHARDSON. Yes, sir. Our total requirement for nurses is about 7,100, Mr. Andrews, but we are using a lot of civilian nurses right now.

Mr. ANDREWS. What do you pay them, civil service grades?

General RICHARDSON. Yes, sir.

#### NEW RECRUITS FROM SELECTIVE SERVICE

Mr. ANDREWS. You stated that the selective service input continues to be required to meet your total manpower requirements. What percentage of your recruits do you get through the selective service?

General RICHARDSON. We are getting about, of our new inputs into the Army each year, about 50 percent of the brandnew ones coming in for the first time.

Mr. ANDREWS. Isn't that higher than it has been in the past?

General RICHARDSON. I don't believe so.

Mr. ANDREWS. I wish you would put a statement about that in the record.

(The information requested follows:)

*Percent of new recruits from Selective Service*

	Inductions	Nonprior service enlistments	Total	Percent of in- ductees
Fiscal year:				
1961.....	60,216	116,129	176,345	34.1
1962.....	157,517	127,063	284,580	55.3
1963.....	74,387	111,746	186,133	40.0
1964 <sup>1</sup> .....	63,537	50,035	113,575	55.9

<sup>1</sup> 4 months actual; 1 month estimated.

Mr. ANDREWS. Army is the only service still using Selective Service?

General RICHARDSON. Yes, sir.

Mr. MAHON. Mr. Ostertag?

Mr. OSTERTAG. Mr. Andrews raised the question about your Selective Service input. This is along the line of one of the general matters I wanted to develop. Are we to understand then that your man strength during the next year will be on the basis of 50 percent Selective Service and 50 percent enlistments and reenlistments? In other words, your Selective Service will be on a par with both enlistments and reenlistments?

General RICHARDSON. No, sir.

Mr. OSTERTAG. What does it mean?

General RICHARDSON. The Selective Service will be on a par with the voluntary first-term enlistments. We will have about as many brandnew volunteer first termers.

Mr. OSTERTAG. Assuming that your total average strength of 968,300 is the total figure, what percentage of that will be selective service, what percentage will be enlistments, and what percentage reenlistments?

General RICHARDSON. For fiscal year 1965 our program calls to bring in through the draft 111,000; to bring in as volunteers, nonprior service, 115,000. For those that would reenlist who are already in the service, our program calls for us to have about 80,000 reenlist.

Mr. OSTERTAG. That constitutes about 306,000. Where does the balance of the Army strength come from?

General RICHARDSON. Men who—Regular, Active Army men who are already in the service.

I believe I mentioned in my statement that 78 percent of our men now are Regular Army men, though a very small percentage, I think 39.4 percent had over 3 years of service, so 78 percent of the men we have on active duty today are Regular Army men. The other 22 percent are draftees.

Mr. OSTERTAG. On the surface doesn't it appear that our selective service requirements have substantially lessened over the years? The Army takes practically 100 percent of all selective service, does it not?

General RICHARDSON. We take it all, sir.

Mr. OSTERTAG. That is what I understand.

General RICHARDSON. Actually for 1965 and 1964 we are higher than we were back in fiscal year 1963. For fiscal year 1963 we took in 70,000 draftees. Our program for 1964 calls for us to take in 162,000, and our program for 1965 calls for 111,000.

Mr. OSTERTAG. In other words, there is going to be a sharp decline in your selective service requirements this next year by nearly 50,000?

General RICHARDSON. Yes, sir. This is what we call our even year cycle on this.

Mr. OSTERTAG. I did want to get a clear picture as to your selective service requirements and its relationship to your end strength.

#### NOT DRAFTING MARRIED MEN SAVES LITTLE

In that connection there is a policy of not drafting married men; is that correct?

General RICHARDSON. Yes, sir.

Mr. OSTERTAG. That is in being applied today?

General RICHARDSON. Yes, sir.

Mr. OSTERTAG. Has this policy been in effect long enough for you to apply any yardstick as to the difference in cost of dependency and obligations on the part of the Army in the support of these families, either on duty or as dependents?

General RICHARDSON. No, sir. That hasn't been in effect that long for us to really try something like that out.

Mr. OSTERTAG. Is it taken into account, for example, in this budget?

General MAROUN. E-4 and above with 4 years service are usually the ones that have any entitlements as such that cost money, like quarters allowance, et cetera. Anybody below that does not have it so if his family is along, you might say it is at his own expense in most of those cases. Do we have any other entitlements below E-4 and above that would come into the budget, Mr. Stone?

Mr. STONE. No, sir. Not for travel. He has to be E-4 with 4 years in service or above in order to move his household goods and dependents at Government expense. However, before this policy change, there were some married inductees who received class Q allotments for quarters. But these could be offset by single men with dependents and by those single men who get married soon after induction.

General MAROUN. So a draftee would seldom made E-4. There would be very few that would make it. I would say it would be almost academic on the money side, sir, for travel. As for class Q allotments, only time will determine the savings, if any. Our future estimates will reflect any change resulting from the new policy.

Mr. OSTERTAG. It should have some bearing. Have you any idea as to how many were married either during or at the time that they were drafted heretofore, what percentage?

General RICHARDSON. I do not have those figures with me, but we do have them.

Mr. OSTERTAG. Right on that point, too, it is not quite clear to me, and this probably is out of your jurisdiction—perhaps comes under selective service—but there are two ways of approaching it: as a young man who might either want to enter the service or might want to avoid going into the service. Say a man has a draft number and he is in A-1 classification. He marries during that period before his number comes up or he is called. Does that have any bearing on whether or not he is actually drafted or is he automatically placed in another classification?

General RICHARDSON. He is deferred now.

Mr. OSTERTAG. He is deferred now automatically?

General RICHARDSON. Yes, sir.

Mr. OSTERTAG. Do you know whether many of these young men are getting married just to avoid being called?

General RICHARDSON. We were running about 3 out of 10 who were married and, of course, these we will have to defer. That will run about 33 percent.

Mr. FLOOD. As a matter of fact, surprisingly few is the answer.

General RICHARDSON. Yes, sir.

#### SCREENING STANDARDS FOR SELECTIVE SERVICE

Mr. OSTERTAG. But aside from that, General, in your statement you referred to "improve the standards used for screening." That, of course, referred to selective service, as I understand it. As a result of our suggestion you pointed out, "We worked with the Selective Service and came up with an agreement on improved standards." What are these improved standards? What does that really mean?

General RICHARDSON. It all applies in the category IV type personnel. All men who come in for examination for the draft take an Armed Forces qualification test. Those who have a score of between 10 and 30 on that test are considered category IV. The prior arrangement with the Selective Service was that those men whose score was between 10 and 30 would have to pass 2 area aptitude scores with a grade of 90 or higher.

Starting last May, we were able to work out with Selective Service to add another test called the general technical test, and in this

test the man must make a grade of 80 or higher before we induct him, and this has raised the quality, then, of the men that we are receiving.

Mr. OSTERTAG. So as we have moved along in this whole Selective Service approach to grading our military manpower there has been a decided improvement in the picture?

General RICHARDSON. Yes, sir.

Mr. MAHON. Mr. Flood?

#### BRITISH EXPERIENCE WITHOUT DRAFTING

Mr. FLOOD. At this point in the record will you insert, if you can, and get the information, the experience the British have had since they stopped drafting insofar as their ease in getting volunteers or not getting them or any comments that you think should be made on the British problem or experience?

General RICHARDSON. We will do that, yes, sir.

(The information requested follows:)

It is understood that the British rely upon an all-volunteer army and have not used the draft (national service) for a number of years. However, it appears they have difficulty in maintaining their units at authorized strength by use of voluntary enlistments. Despite this difficulty, the British do not contemplate using the draft at this time.

Mr. FLOOD. Who do I talk to about the clothing bag, wait until the QMC people come up?

General RICHARDSON. We can talk about the clothing bag right here, right now.

#### INITIAL CLOTHING ALLOWANCES

Mr. FLOOD. Go ahead. What am I worried about? I am worried about the same thing beside WAC underwear that upset me 10 years ago, and I found out—by oral testimony I might hasten to add—that it was khaki. What about the rest of the problem now? What is the current squawk and gripe on the clothing bag?

General RICHARDSON. Each new man as he comes into the Army, whether a draftee or volunteer enlistee, is issued a clothing bag.

Mr. FLOOD. You go ahead at this point in the record and insert what the clothing bag is. That isn't my problem. I am concerned what it ain't. I know what it is. What are the current squawks and gripes about the clothing bag that you picked up since you were here last year? Last year we talked about this with the QMC people.

Do you have any special squawks or gripes? What are they mad at?

General RICHARDSON. I don't know of any. Do any of our people know of any?

Mr. NUTT. No, sir.

General RICHARDSON. I don't know of any.

(The information requested follows:)

## Initial clothing allowances for enlisted men fiscal year 1965

Item	Unit cost	Allowances	Total cost
1. Bag, duffel, with 1 handle carrying strap.....	\$2.95	1 each.....	\$2.95
2. Belt, trousers, cotton, web, black.....	.30	2 each.....	.60
3. Boot, combat, men's, black leather, capped toe.....	6.80	2 pair.....	13.60
4. Buckle, web, brass.....	.12	1 each.....	.12
5. Cap, garrison, wool, serge, army green, shade 44.....	1.30	2 each.....	2.60
6. Cap, service, wool, serge, army green, shade 44.....	4.20	1 each.....	4.20
7. Cap, utility, olive green 106.....	1.25	2 each.....	2.50
8. Coat, wool, serge, army green, shade 44.....	20.55	1 do.....	41.10
9. Drawers, men's, cotton, boxer style, thigh length, white.....	.45	6 pair.....	2.70
10. Gloves, inserts, wool.....	.90	2 pair.....	1.80
11. Gloves, shells, leather, black.....	2.45	1 pair.....	2.45
12. Insignia, branch of service, EP.....	.05	1 each.....	.05
13. Insignia, service cap, bronze, EM.....	.14	1 do.....	.14
14. Insignia, United States, EP.....	.05	2 each.....	.10
15. Necktie, men's, wool tropical, black.....	.57	1 do.....	1.14
16. Raincoat, men's, nylon, taupe, shade 179.....	8.75	1 each.....	8.75
17. Shirt, men's, cotton, poplin, tan, Sh 46.....	2.10	3 each.....	6.30
18. Shirt, men's, cotton, khaki, shade 1.....	3.25	2 each.....	6.50
19. Shirt, men's, cotton, khaki, shade 1, short sl.....	2.95	1 do.....	5.90
20. Shirt, men's, cotton, utility, olive green 107.....	2.20	4 each.....	9.20
21. Shoe, dress, oxford, leather, black.....	6.00	1 pair.....	6.00
22. Socks, men's, cotton, black stretch.....	.33	3 pair.....	.99
23. Socks, men's, wool, black, stretch.....	.69	5 pair.....	3.45
24. Towel, bath, cotton, white.....	.44	2 each.....	.88
25. Trousers, men's, khaki, shade 1.....	3.40	4 pair.....	13.60
26. Trousers, men's, utility, olive green 107.....	2.35	1 do.....	9.40
27. Trousers, men's, wool serge, army green, Shade 44.....	7.75	2 pair.....	15.50
28. Undershirts, men's, cotton, quarter-length sleeves.....	.46	6 each.....	2.76
Total.....			165.28

NOTE.—Prices subject to change on July 1, 1964.

## Initial clothing allowance for enlisted women, fiscal year 1965

Item	Unit cost	Allowances	Total cost
1. Anklets, wool, taupe, shade 131.....	\$0.75	2 pair.....	\$1.50
2. Bag, duffel, with 1 handle, carrying strap.....	2.95	1 each.....	2.95
3. Button, metal, insignia, gold plated.....	.09	4 each.....	.36
4. Cap, garrison, Army green cord, shade 160.....	1.60	2 each.....	3.20
5. Cap, garrison, wool serge, army green, shade 44.....	2.20	1 do.....	4.40
6. Coat, women's, Army green cord, shade 160.....	7.90	4 each.....	31.60
7. Coat, women's, wool serge, army green, shade 44.....	19.60	2 each.....	39.20
8. Gloves, cloth, cotton, gray beige, shade 270.....	1.50	1 pair.....	1.50
9. Gloves, dress, leather, black.....	2.80	1 do.....	2.80
10. Handbag, leather, black.....	15.15	1 each.....	15.15
11. Hat, wool, army green, shade 44.....	7.15	1 do.....	7.15
12. Insignia, branch of service, EP (United States).....	.05	1 do.....	.05
13. Insignia, branch of service, EP (WAC).....	.05	1 do.....	.05
14. Insignia, hat, gold.....	.23	1 do.....	.23
15. Necktab (collar tab) black.....	.35	2 each.....	.70
16. Overcoat, wool serge, taupe, shade 121.....	35.85	1 each.....	35.85
17. Overshoe, plastic, gray.....	1.00	1 pair.....	1.00
18. Raincoat, nylon-cotton, taupe, shade 129.....	18.65	1 each.....	18.65
19. Scarf, neckwear, rayon, tan.....	.40	1 do.....	.40
20. Shirt, cotton, chambray, blue.....	1.40	2 each.....	2.80
21. Shirt, cotton, chambray, tan, shade 130, dress.....	3.15	5 each.....	15.75
22. Shoe, dress, oxford black.....	7.65	2 pair.....	15.30
23. Shoe, gym, cotton duck, low, white.....	2.05	1 pair.....	2.05
24. Shoe, service, high, black.....	6.00	1 do.....	6.00
25. Shorts, cotton, denim, blue.....	2.60	1 do.....	2.60
26. Skirt, cotton, women's, denim, blue.....	3.35	1 each.....	3.35
27. Skirt, women's, Army green cord, shade 160.....	4.05	4 each.....	16.20
28. Skirt, wool serge, Army green, shade 44.....	5.05	2 each.....	10.10
29. Stockings, nylon, glace cafe, shade 275.....	.47	6 pair.....	2.82
30. Towel, bath, cotton, white.....	.44	2 each.....	.88
Subtotal issue-in-kind.....			244.59
Cash allowance for:			
Pumps.....			12.00
Undergarments.....			30.00
Total allowance.....			286.59

NOTE.—Prices subject to change on July 1, 1964.

## UNFOUNDED COMMITMENTS BY RECRUITING OFFICERS

Mr. FLOOD. One of my pet gripes—and this is true in all armies and always has been, probably always will be, but it is getting out of control again. Every 4 or 5 years we have to take another look at it: Your recruiting officers. They are bucking for stripes. They are going to retire next year and all that. They are great fellows, but the more we have become specialized, as we are, we are running into trouble again. About 5 years ago we went through this and then we did pretty good. Now it is getting out of control again and we are promising them everything. They cannot produce and the families are squawking and the boys are squawking. They are not ending up where they enlisted. Something is breaking down again. There are too many complaints. For 3 or 4 years it was all right. Now it is starting all over again. The kid goes in. They take him up to the top of the mountain, show him the promised land. He enlists for the following job. He doesn't get it. That is dirty pool. We are getting in trouble again. How can you check on this? What can you do about it? Of course your answer always is, "No recruiting officer has the right to pledge the U.S. Army to anything." That is where you begin and that is where you end up. The only trouble is the pamphlets and the speeches in the high schools and the letters you send me say to the contrary. The minute you get in trouble you run and hide.

Are we prepared to take any special look at this dirty pool business? It is not right. I don't like it.

General RICHARDSON. We do have options that men can enlist for, providing they have passed the test, et cetera, with a high enough grade to come in and they can be sent to certain types of schooling.

Mr. FLOOD. Why should there be any doubt about this boy in my hometown who enlists in the Army for the following job; the book says so. He puts up his hand. Everybody thinks he is going to get that job. The recruiting officer has got his tongue in his cheek. He doesn't get the job. Why is there any doubt when he gets on that plane or that train, why is there any doubt about it? He ought to have a paper in his hand. Why doesn't he have it?

General RICHARDSON. There shouldn't be any doubt about it.

Mr. FLOOD. Right; but there is.

General RICHARDSON. If he does not pass the course when he gets to school, then we cannot assign him in that MOS. We have to put him someplace else.

Mr. FLOOD. I want to be sure when that kid leaves the hometown recruiting station, that before he thinks he is going to be an automobile mechanic, he has to do something else; is that it?

General RICHARDSON. He has to pass the course.

Mr. FLOOD. He is not sworn in as an automobile mechanic in Wilkes-Barre.

General RICHARDSON. I cannot answer specifically what an automotive repairman is, but we use that as an example.

Mr. FLOOD. Let's take that slot. All right.

General RICHARDSON. If he has passed a high enough grade in his area aptitude scores at the—

Mr. FLOOD. At the hometown?

General RICHARDSON (continuing). Not necessarily at the hometown, but at an Armed Forces induction and examining station, then

he can be told that he will take training to become an automotive repairman and if he passes the course at school he will be assigned to that type of duty.

Mr. FLOOD. What assurance does this kid have when he leaves his hometown that he is going to go to that school? What I am squawking about is he does not go to the school that he thinks he was sworn in for. Why not?

General RICHARDSON. He certainly should go to it.

Mr. FLOOD. Look, Skipper, this I know. That is what I am talking to you about. He doesn't get there. Why? There is the dirty pool business. Something has to be done. This has been going on before. The more technical we get, the more difficult this problem becomes. We hit a cycle. We are back in the end of the cycle again. We are getting in trouble again. These kids are not going to the schools that they think they are going to.

#### SAFEGUARDS FOR SELECTED RECRUIT ASSIGNMENTS

Mr. SIKES. Will you, General, provide for the record a statement showing what safeguards are provided to see that they go to these schools; if not, if there are no such safeguards, then any statement that can be provided to show, or to bring about a better understanding of what can be promised at the recruiting level?

General RICHARDSON. Yes, sir.

(The information requested follows:)

There is no indication that written commitments made to enlistees are not being honored. Failure to honor such a commitment through an administrative error would be immediately rectified upon discovery. On occasion, however, allegations have been made that oral commitments made by local recruiters are not honored. In an effort to eliminate all possible misunderstandings among recruiters, enlistees, their parents or next of kin regarding the exact conditions under which enlistment is being accomplished and to insure that such commitments as are made are fully honored, the following procedures are a required part of enlistment processing:

Annotation of Enlistment Record. In item 13, "Initial Assignment," any initial assignment choice, including oversea command, specific unit, or any other initial assignment option elected and authorized must be entered. In item 37, "Remarks," must be entered any other promises made.

Statement of Understanding. A statement of understanding must be signed by each individual who enlists or reenlists in the Regular Army. Attached are examples of both the general and special type of statement now being used. Each individual must list in his own handwriting in part II of the statement all promises both oral and written that have been made to him in connection with his enlistment or reenlistment in the Regular Army. Army career group or school course number and title designation are shown, for example—Army Career Group 11 Infantry; Optical Laboratory Specialist 8-R-453.1. If no promises have been made, the individual must write the word "none" in part II of the statement. After signature by the applicant, the witnessing officer reviews the statement, together with the enlistment record, for legibility, completeness, and accuracy, and affixes his signature, in ink, in the space provided. An enlistment may not be accomplished if there is a variance between the individual's statement in part II and items 13 and 37 of his enlistment record, and such variance cannot be reconciled.

Brochure for parents of enlistees: Since July 1, 1962, a "Brochure for Parents of Enlistees" has been prepared for each individual enlisting in the Regular Army. The form is completed, signed by the recruiting main station commander and the enlistee, and mailed to the parents or next of kin of the enlistee. It indicates the exact conditions under which the son or daughter enlisted in the Regular Army.

Recruiters are instructed to exercise great care to insure that an applicant clearly understands the promises being made to him as well as the responsibilities

he assumes in regard to a specific enlistment option. To insure, insofar as is humanly possible, that this is done, all statements of understanding include a part II in which the applicant must list, in his own handwriting, all promises both oral and written that have been made to him in connection with his enlistment.

Whether brought to the attention of Department of the Army by the individual or by any other source, all alleged cases of "broken promises" in recruitment are thoroughly investigated. In any case where it is determined that the individual has bona fide cause for complaint, or that a reasonable doubt exists as to the extent of promises or commitments made or understood, the issue is resolved in favor of the individual.

#### GENERAL STATEMENT OF UNDERSTANDING

##### PART I

In connection with my enlistment in the Regular Army this date, I hereby acknowledge that I completely understand the following:

That all promises made to me are contained in items 11, 13, or 37 of the DD Form 4, my enlistment record.

That I have not been guaranteed technical school training unless the title of the school course has been entered in item 13, DD Form 4.

That should I choose an option which requires a security clearance and I am not granted such clearance after I have enlisted, I agree to accept any assignment in accordance with the needs of the Army and will complete the period for which I enlisted.

That my choice of initial assignment shown in items 13 or 37 of the DD Form 4 does not constitute any guarantee that my entire enlistment, or any specific portion thereof, will be served in that initial assignment.

\*That, should my enlistment involve a commitment for a school course or a commitment for specialized training for a selective assignment, conduct on my part which occurs subsequent to my enlistment and which involves disciplinary action could cause me to be reassigned to any other assignment within the continental United States or an oversea command.

That acceptance for enlistment carries no promise whatsoever relative to furnishing transportation for dependents to oversea commands or to the furnishing of family quarters either in oversea commands, or in the continental United States.

##### PART II

To further emphasize the importance of understanding the promises made to me I certify that I have listed below in my handwriting all promises both oral and written that have been made to me in connection with my enlistment in the Regular Army:

-----

-----  
(Name, grade, and service No. of witnessing officer)

(Signature of applicant)

#### STATEMENT OF UNDERSTANDING—OFFICER CANDIDATE SCHOOL ENLISTMENT OPTION

##### PART I

In connection with my enlistment in the Regular Army and selection for attendance at Officer Candidate School, I hereby acknowledge that I completely understand the following:

That I must complete basic combat training, successfully complete Officer Candidate School, qualify for security clearance, pass the physical fitness test, serve no less than 24 months on active duty as a commissioned officer and serve the remainder of the military obligation required by law.

That in the event I should fail to qualify for security clearance, successfully complete Officer Candidate School, or fail to pass the physical fitness test, I will be required to complete that time remaining on my 2-year Regular Army enlistment period in an enlisted status and serve the remainder of the military obligation required by law.

PART II

To further emphasize the importance of understanding the promises made to me, I have listed below in my handwriting all promises, both oral and written, other than those listed in part I, above, that have been made to me in connection with my enlistment in the Regular Army.

-----  
-----  
(Name, grade, and service No. of witnessing officer)

(Signature of applicant)

STATEMENT OF UNDERSTANDING—WARRANT OFFICER FLIGHT TRAINING OPTION

PART I

In connection with my enlistment in the Regular Army and selection for the warrant officer flight training program, I hereby acknowledge that I completely understand the following:

That I must successfully complete basic combat training (delete if inappropriate for a prior service person); successfully complete the warrant officer flight training course; qualify for security clearance; serve no less than 36 months on active duty as a warrant officer; and serve the remainder of the military obligation required by law.

That in the event I should fail to qualify for security clearance or fail to complete flight training successfully, I will be required to complete the time remaining on my 2-year Regular Army enlistment period and serve the remainder of the military obligation required by law.

That I may specify a preference for fixed or rotary wing training but that the needs of the service will be the final determining factor in programing my attendance at aviation training courses.

That approximately 60 percent of the personnel who enter the flight training program successfully complete the course.

PART II

To further emphasize the importance of understanding the promises made to me, I have listed below in my handwriting all promises, both oral and written, other than those listed in part I, above, that have been made to me in connection with my enlistment in the Regular Army.

-----  
-----  
(Name, grade, and service No. of witnessing officer)

(Signature of applicant)

DEPARTMENT OF THE ARMY, OFFICE OF THE ADJUTANT GENERAL,  
WASHINGTON, D.C.

I would like to extend my sincere congratulations and heartfelt appreciation that a member of your family has volunteered to serve in the U.S. Army.

Only individuals who have the ability to qualify under our exacting moral, mental, and physical standards are now accepted in the Regular Army. You may take personal satisfaction in your part in training our new member in uniform.

Your family's contribution to the defense of our country is recognized and I trust that this service in the Army will be rewarding.

Sincerely,

J. C. LAMBERT,  
Major General, U.S. Army, The Adjutant General.

-----  
-----  
(Name)

(Home address)

(Exact terms of training or initial assignment agreement)

(Reception station to which sent for initial processing)

-----  
-----  
I fully understand that all promises made to me are entered on my enlistment record and I have listed them in my own handwriting.

If I have been guaranteed technical school training it is recorded on the preceding page. I understand if I have been guaranteed a career group the method of training and specialization will be determined by the Army when I complete basic training.

I understand if I fail to qualify and complete the guaranteed training listed on preceding page the Army will reassign me in accordance with the needs of the service within the continental United States or to an oversea command.

I also understand that my choice of initial assignment does not constitute any guarantee that my entire enlistment will be served in that initial assignment. Military necessity may make it necessary for the Army to effect my reassignment at any time.

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(Signature of enlistee)

-----  
(Signature of Station Commander)

Mr. FLOOD. This is the old story. I think you mean well and I know you do, but downstairs something happens. This does not work out that way. That is causing us unnecessary trouble. I think we can stop it if somebody takes a real tough look at it and says again, "Keep off the grass, positively. We are not kidding." It is very bad. I go through these hearings year after year and 6 months after I leave here these letters start coming in, other Members of Congress come to me and I am right back where I started and you look bad.

The generals and colonels in these hearings look very, very bad because the boys downstairs don't pay any attention to you. They don't read the hearings. I don't blame them. Neither do I. So they don't get the word. The word does not get down there.

General RICHARDSON. Yes, sir.

Mr. SIKES. He is going to provide something for the record on that. Do you have anything else?

Mr. FLOOD. Mr. Chairman, off the record.

(Discussion off the record.)

Mr. SIKES. I have two very brief questions, Mr. Chairman. One, would this be the proper place to ask about restrictions on household goods and automobiles? If so, have such restrictions been placed into effect in this fiscal year which we have not had previously?

General RICHARDSON. I do not know of any new ones this fiscal year; no, sir. You are familiar, of course, with not being able to buy a foreign car or get it shipped back.

Mr. SIKES. Will you place in the record any restrictions which have been put into effect since we talked to you a year ago on this subject?

General RICHARDSON. Will do, sir.

(The information requested follows:)

No new restrictions have been placed on the shipment of household goods and privately owned vehicles during this fiscal year.

#### DISLOCATION AND TRAILER ALLOWANCES

Mr. ANDREWS. What is dislocation allowance?

General RICHARDSON. This is the allowance equal to the quarters allowance that is authorized when you make a permanent change of station move. It pays for the new curtains and the new everything that you have to buy.

Mr. ANDREWS. What about a man who lives in a trailer? He moves from station to station. He gets orders. Does he get any kind of dislocation allowance?

General RICHARDSON. He does not get a dislocation allowance. He gets a trailer allowance.

Colonel HAYMAN. It is an amount that differs from the basic allowance for quarters and is based on the transportation charges to carry his trailer—increased gasoline expenses and things of this nature.

Mr. ANDREWS. In other words, it is the counterpart of a dislocation allowance?

Colonel HAYMAN. Exactly.

General RICHARDSON. If he moves his trailer, he gets reimbursed for moving it.

Mr. ANDREWS. He fares as well as the man who moves in the Capehart or privately owned home.

General RICHARDSON. Yes.

#### RULING ON DEFERMENT OF MARRIED DRAFTEES

Mr. SIKES. Did the Army institute the ruling or request the ruling for a deferment for married draftees?

General RICHARDSON. No, sir.

Mr. SIKES. Does the Army feel that that is a good ruling?

General RICHARDSON. We have no objection to it, sir.

Mr. SIKES. Well, there is general belief in my opinion that it is a bad ruling and that it should be dropped. Does the Army have any opinion on it?

General RICHARDSON. We have no objection to the ruling, sir. We did not ask for it. We can operate under it.

Mr. Sikes. Thank you very much, gentlemen.

MONDAY, JANUARY 20, 1964.

### RESERVE PERSONNEL, ARMY

#### WITNESSES

MAJ. GEN. W. J. SUTTON, CHIEF, ARMY RESERVE

MAJ. GEN. B. F. TAYLOR, DIRECTOR OF ARMY BUDGET, OFFICE, COMPTROLLER OF THE ARMY

BRIG. GEN. T. A. KENAN, DEPUTY CHIEF, OFFICE OF RESERVE COMPONENTS

B. E. PETHTAL, CHIEF, COMPTROLLER DIVISION, OFFICE, CHIEF, ARMY RESERVE

#### Object classification

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct obligations:			
11 Personnel compensation: Military.....	139,551	152,400	173,100
12 Personnel benefits.....	15,771	18,800	22,200
21 Travel and transportation of persons.....	15,794	18,100	18,900
22 Transportation of things.....	9	10	10
25 Other services.....	300	400	600
26 Supplies and materials.....	17,201	20,490	27,690
42 Insurance claims and indemnities.....	320	400	400
Total direct obligations.....	188,946	210,600	242,900
Reimbursable obligations:			
26 Supplies and materials.....	794	1,000	1,000
Total obligations.....	189,740	211,600	243,900

## Program and financing

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Program by activities:			
Direct program:			
1. Reserve component personnel.....	174,761	197,100	227,400
2. Reserve officer candidates.....	14,185	13,500	15,500
Total direct obligations.....	188,946	210,600	242,900
Reimbursable program:			
1. Reserve component personnel.....	701	900	900
2. Reserve officer candidates.....	93	100	100
Total reimbursable obligations.....	794	1,000	1,000
Total obligations.....	189,740	211,600	243,900
Financing:			
Advances and reimbursements from (-):			
Other accounts.....	-496	-689	-676
Non-Federal sources <sup>1</sup> .....	-298	-311	-324
Unobligated balance lapsing.....	33,510		
New obligational authority.....	222,456	210,600	242,900
New obligational authority:			
Appropriation.....	239,200	210,100	242,900
Transferred to "Emergency fund, Defense" (76 Stat. 334).....	-16,744		
Appropriation (adjusted).....	222,456	210,100	242,900
Proposed supplemental due to the Uniformed Services Pay Act of 1963.....		500	

<sup>1</sup> Reimbursements from non-Federal sources derived from sale of meals to officers from enlisted messes (10 U.S.C. 4621).

Mr. SIKES. Are you prepared, General, to give your statement at this time?

General SUTTON. Yes, sir.

## GENERAL STATEMENT

General SUTTON. Mr. Chairman and members of the committee, it is a distinct pleasure to appear before you to present the U.S. Army Reserve program for fiscal year 1965. I have been associated with the Army Reserve components for many years and have long been aware of the interest and concern of this subcommittee in the program and policies of the Army Reserve. Your thorough understanding of our program has contributed immeasurably to the enhancement of our stature and readiness.

Here with me today from my office are:

Colonel Boylan, Deputy Chief of Army Reserve;

Colonel Weigel;

Lieutenant Colonel Snyder;

Lieutenant Colonel Simonds; and

Mr. Pethal.

Also with me today from the Office of Reserve Components are Brigadier General Kenan and Colonel Bilbo. General Kenan is available to respond to questions on the Army ROTC which is included in the "Reserve personnel, Army" budget.

My office is responsible for the implementation and execution of approved plans, policies, and programs pertaining to the U.S. Army Reserve, including the preparation, justification, and execution of that portion of the budget under which we operate.

For "Reserve personnel, Army" our fiscal year 1965 request is for an amount of \$242.9 million, of which \$227.4 million is for the Army Reserve and \$15.5 million is for the ROTC.

An amount of \$210.1 million was appropriated by the Congress for fiscal year 1964 to support a begin strength of 274,500 and an end strength of 281,000. The actual begin strength was 236,985, and the projected end strength for fiscal year 1964 has been reduced to 264,000. The funds that are not used due to these lower begin and end strengths total \$11.1 million. This amount was applied against the \$11.6 million military pay increase, leaving an additional \$500,000 required. Therefore, the total fiscal year 1964 fund requirement to support a 264,000 end strength is \$210.6 million.

The fiscal year 1965 budget is a net increase of \$32.3 million over fiscal year 1964. This results from the military pay increase and from the paid drill strength increase from 264,000 to 285,000.

Our established mission is to furnish, in the event of war or national emergency, and at such other times as national security may require, "units effectively organized, trained, and equipped in time of peace for rapid mobilization, expansion, and deployment; such units to be of the types and numbers to meet the requirement of the Army," and also "additional qualified personnel for necessary replacement and expansion of the Army."

Our objective is to bring these units and individuals to the highest state of readiness attainable—a state of readiness that will insure a minimum requirement of postmobilization training.

We are also very proud of our ROTC program which supports an enrollment of 170,180 students in the senior division and 70,000 students in the junior division.

In order to present the Army Reserve and ROTC programs more effectively, and relate their positions to the current year and to the budget year, we have included in this statement charts and tabulations which appear on the page opposite the pertinent narrative.

#### ORGANIZATION OF THE ARMY RESERVE

This chart [indicating] shows the current organization of the Army Reserve.

The changes in organization initiated in the early part of 1963 were completed by April 15. No effort was spared by those concerned in effecting these changes as smoothly as possible. Reserve units were justly praised for the efficient manner in which they accomplished these changes and engaged in effective annual field training last summer.

The Army Reserve is people. An effective and mobilization ready Army Reserve is well led, properly trained, and adequately equipped citizen-soldiers. They must be properly motivated. They must understand their mission and the Nation's need for them. They must be fairly and equitably treated. Second only to mobilization readiness is our concern for our individual reservists, and adequate provision for the retention of all who desire unit assignments.

## TOTAL STRENGTH

My second chart [indicating] shows the total strength of the Army Reserve as of November 30, 1963, based on a preliminary report. The total strength was 1,123,000, consisting of 675,000 in the Ready Reserve, 305,000 in the Standby Reserve, and 143,000 in the Retired Reserve.

The Ready Reserve consists of those units and individuals available for immediate employment in the expansion of the Active Forces in the event of mobilization. Of the Ready Reserve, 300,000 are programmed to participate in 48 paid drills annually and attend a 15-day period of annual field training.

## PAID DRILL STRENGTH

This chart [indicating] shows the paid drill strength of the U.S. Army Reserve over a 6-year period. The solid line is the authorized 300,000 and the broken line represents actual strength.

As the broken line shows, the desire of the Congress was met for a 300,000 paid drill strength in fiscal years 1959 through 1961. However, early in fiscal year 1962, 444 company-size units with a paid drill strength of approximately 30,000 were mobilized in the Berlin buildup. (Incidentally, an additional 40,000 individual reinforcements were also ordered to active duty to fill out Army Reserve and Army National Guard units.) The net loss of 30,000 individuals resulted in the decline of strength indicated on the chart, and other related factors continued the strength decline during the rest of the year.

In early fiscal year 1963, the units were demobilized and returned to us with about 21,000 men, a decrease of 9,000 from the strength when mobilized. This was the upturn you see on the chart. Immediately thereafter, the extensive changes in organization of the Army Reserve, and their impact on all aspects of our program, resulted in losses exceeding our gains, which brought the strength down to 236,985 by June 30, 1963.

With the decreasing strength, as indicated for fiscal year 1963, it appeared unlikely that an end strength of 300,000 could be achieved by end fiscal year 1964. The Congress recognized this and for the first time in years did not appropriate funds for the full 300,000 strength. The Congress again, as in previous years, expressed a desire for a strength of 300,000, but accepted the executive branch assurances that the Army Reserve strength would not be restricted and that additional funds would be requested if strength increases made them necessary.

The strength turned upward at the beginning of fiscal year 1964, and rose steadily from 236,985 to 250,578 during the first 5 months.

Incidentally, our preliminary December report shows the strength further increased to 253,112.

This fiscal year 1965 budget reflects a fiscal year 1964 end strength of 264,000, and a fiscal year 1965 end strength of 285,000. As can be seen on page 7 of the detailed budget justification, the November 30, 1963, program on a 264,000 end strength basis was 245,798. The preliminary November strength was 250,578, or 4,780 above the program.

## RESERVE ENLISTMENT PROGRAM

The former 6-month RFA-55 active duty training program is now replaced by the "Reserve Enlistment Program, 1963." The primary change is from a 6-month period of active duty training for all non-prior service enlistees to a flexible period depending on the MOS for which an individual is to be qualified. In the Army Reserve, the period of training will range from 4 to 12 months. This will average about 5 months and 3 weeks. The more difficult skills require the longer periods. Regardless of how long an individual performs active duty for training, his total obligation is for 6 years.

The Congress provided this new Reserve enlistment program as a means of acquiring more hard-skill men in units. Although the flexible training period has been in effect only since September 1963, indications point toward acceptance on the part of eligible young men.

For the months of October, November, and December, the input of new enlistees to the training centers, by number of months of active duty required, was as follows:

Number of persons:	Number of months	Number of persons—Con.	Number of months
74	4	35	9
1,645	5	13	10
4,805	6	4	11
766	7	2	12
133	8		

## ENLISTED PERSONNEL PROCUREMENT

Our major sources of personnel procurement continue to be new enlistments and the assignment of 2-year obligors to units.

The "Reserve Enlistment Program, 1963" is of utmost importance in the maintenance of Army Reserve strength and the stabilization of our trained unit personnel. These young men are enlisted for position vacancies in troop units, undergo their varying periods of active duty training, then return to the unit as individually trained soldiers.

In addition to REP-63 trainees, the assignment of 2-year obligors continues to be an important source of personnel for our units.

The upper chart [indicating] on this subject shows actual and projected enlistments during a 5-year period. The decline in enlistments from 45,566 for fiscal year 1961 to 25,673 for fiscal year 1962 occurred during the mobilization period. Fiscal year 1963 enlistments of 28,905 were far short of the program. The fiscal year 1964 program of 48,000 supports a strength increase to 264,000 by end fiscal year 1964. This fiscal year 1965 budget is for 61,800 enlistments and a strength increase to 285,000 by end fiscal year 1965.

The lower chart [indicating] shows the number of enlisted personnel available from 2 years of active military service on the 100-percent line, and shows the percentage thereof assigned to troop program units. For fiscal year 1964, for example, 129,300 will be available from active military service, and 40,900, or 31.6 percent, are expected to be assigned to units.

## PROGRAM DATA

This chart [indicating] shows the strength and significant active duty for training programs for fiscal year 1965. For the Army Reserve, this estimate provides active and Reserve duty training for a beginning strength of 264,000, including 26,887 enlisted personnel in the REP-63 active duty training program. The end strength is budgeted to be 285,000, including 29,720 enlisted personnel in the REP-63 active duty training program.

It is estimated that 61,800 nonprior service enlistees will enter on a tour of active duty for training under REP-63.

Active duty for training is included for 11,000 assigned officer students in the U.S. Army Reserve schools and 6,570 officer mobilization designees.

Individual reinforcement training is included for 10,000 officers and 32,000 enlisted personnel.

Service and Army area school training will be provided for 8,730 officers and 4,228 enlisted personnel.

Special tours training is included for 10,675 officers and 4,557 enlisted reservists.

The 45-day training is budgeted for 25 officers and 1,500 enlisted men.

## RESERVE OFFICERS' TRAINING CORPS

The senior division of the ROTC produces junior officers for the Army Reserve and the Active Army, and provides some for the Army National Guard. The program is operated at selected civilian colleges, military colleges, and military schools. This budget is computed on the basis of the current 4-year ROTC program.

This chart [indicating] shows the senior division entering enrollment for the 3 years and the number of commissions for each year. The budget provides training for fiscal year 1965 entering enrollment of 170,180. End fiscal year 1965 commissions are estimated to be 11,828. The fiscal year 1965 increase of 3,300 in military science—III is to provide 14,000 second lieutenants at end fiscal year 1966.

Since August of 1961, all commissioned ROTC graduates have been ordered to 2 years of active duty with the Army. This is expected to continue for the foreseeable future, including the higher commission level of 14,000 for which the MS-III input in this fiscal year 1965 budget provides.

The bottom line of the chart shows the junior division. An enrollment of 70,000 is budgeted for fiscal year 1965.

Mr. Chairman, this completes my opening statement. We appreciate the opportunity of appearing before you.

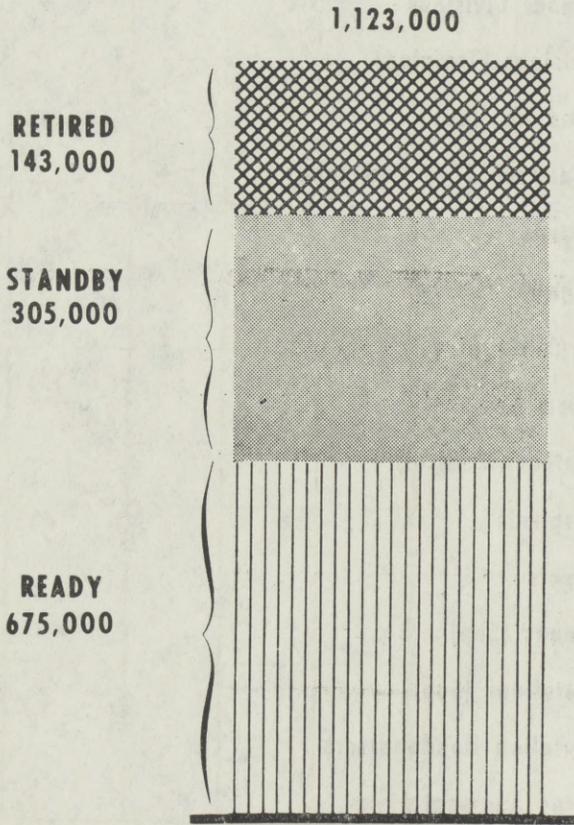
(Charts referred to in the prepared statement follow:)

## U S ARMY RESERVE TROOP STRUCTURE

TYPE UNIT	TOTAL
Combat Divisions	6
Divisions (Training)	13
Comd Hq (Div)	4
Maneuver Area Commands	2
Brigades (Combat Inf)	4
Brigades (Sep)	4
Corps Hq Arty	1
Commands	18
Centers (Medical)	10
Hospitals	112
Depots	7
Groups (Sep)	86
Battalions (Sep)	120
Battalion Headquarters	120
Corps Augmentations	15
Separate Company Size Units	1,385
<b>TOTAL COMPANY SIZE UNITS</b>	<b>4,125</b>

# U S ARMY RESERVE

## TOTAL STRENGTH

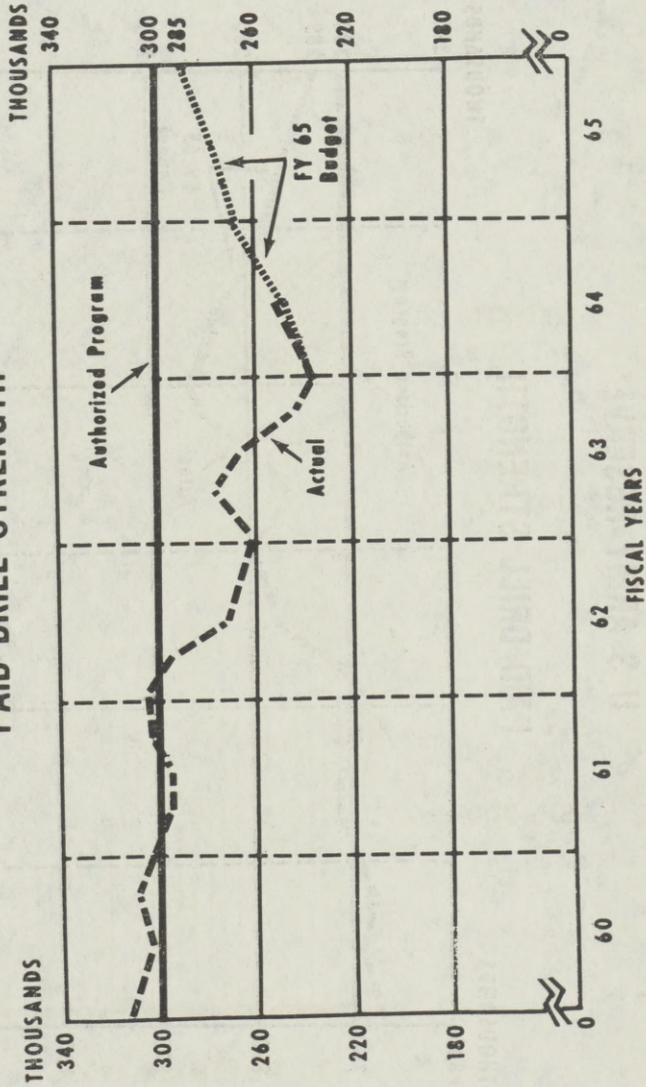


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(Preliminary)

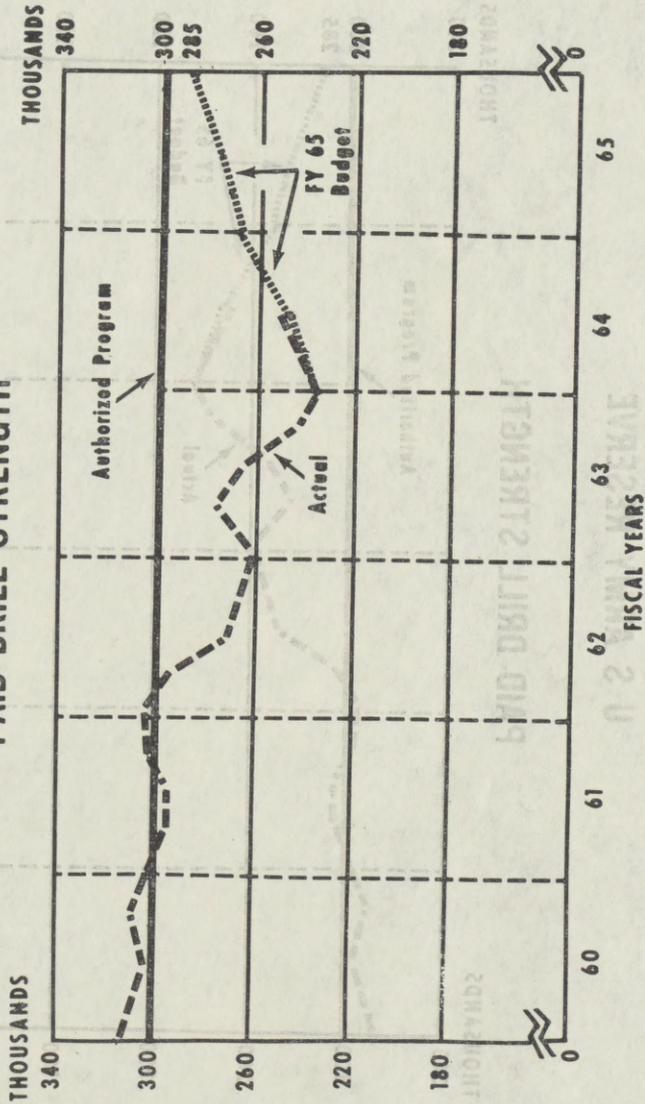
# U S ARMY RESERVE

## PAID DRILL STRENGTH



# U S ARMY RESERVE

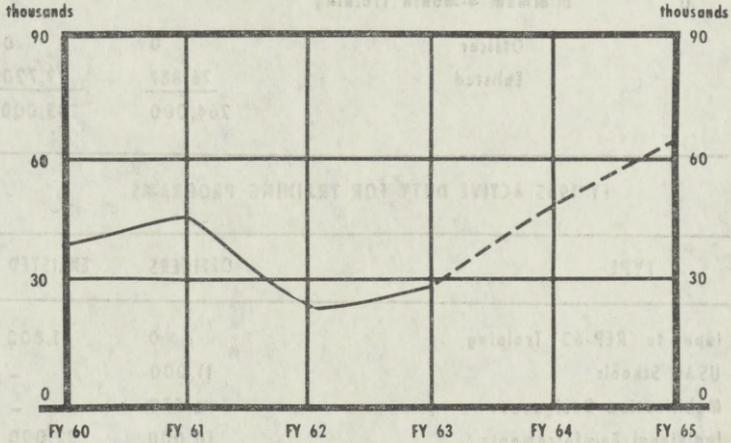
## PAID DRILL STRENGTH



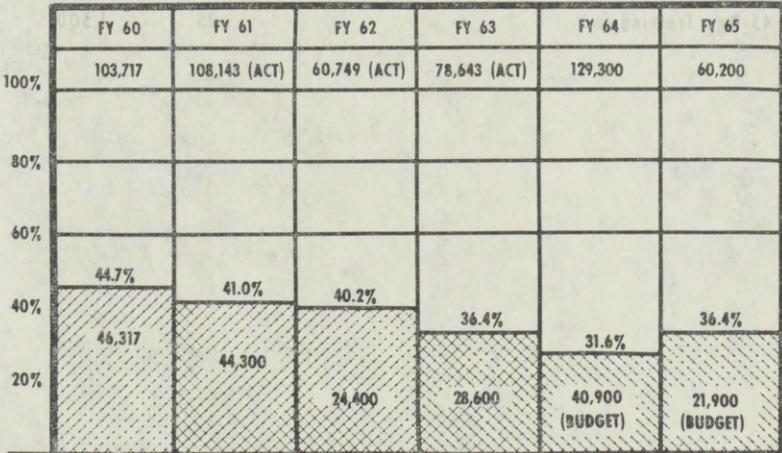
U S ARMY RESERVE

U S ARMY RESERVE

ENLISTMENTS TO REP-63 TRAINING



ENLISTED OBLIGORS



## U S ARMY RESERVE

## FY 1965 BUDGET

PAID DRILLS	PERIOD OF ACTIVE DUTY FOR TRAINING	STRENGTH	
		BEGIN	END
48	15 Days	237,113	255,280
0	Minimum 4-Month Training		
	Officer	0	0
	Enlisted	<u>26,887</u>	<u>29,720</u>
		264,000	285,000

## FY 1965 ACTIVE DUTY FOR TRAINING PROGRAMS

TYPE	OFFICERS	ENLISTED
Input to 'REP-63' Training	0	61,800
USAR Schools	11,000	-
Mobilization Designees	6,570	-
Individual Reinforcements	10,000	32,000
Service and Army Area Schools	8,730	4,228
Special Tours	10,675	4,557
45-Day Training	25	1,500

## U S ARMY ROTC

	ACTUAL BEGIN FY 1963	BUDGET BEGIN FY 1964	AUDITED BEGIN FY 1964	ESTIMATED BEGIN FY 1965
<b><u>SENIOR DIVISION</u></b>				
MS I (1st YEAR BASIC)	87,291	82,500	(81,849)	87,500
MS II (2nd YEAR BASIC)	59,995	54,750	(54,261)	51,745
MS III (1st YEAR ADVANCED)	14,470	14,400	(14,200)	17,700
MS IV (2nd YEAR ADVANCED)	12,962	13,300	(13,315)	13,235
TOTAL	174,718	164,950	(163,625)	170,180
ESTIMATED YIELD OF COMMISSIONED OFFICERS FROM OUTGOING MS IV				
	11,228	11,886	(11,899)	11,828
-----				
<b><u>JUNIOR DIVISION</u></b>	70,512	69,000	(69,017)	70,000

Mr. SIKES. Thank you, General Sutton.  
The committee will reconvene at 10 o'clock in the morning.

TUESDAY, JANUARY 21, 1964.

## JUSTIFICATION OF THE ESTIMATES

Mr. SIKES. We shall insert in the record at this point pages 6 through 13 and 44 of the justifications.  
(The matter referred to follows:)

## Reserve personnel in paid status

	Pay groups	Paid drills	Paid days of active duty for training	Fiscal year 1963 (Past year)			Fiscal year 1964 (current year)		Fiscal year 1965 (budget year)	
				Begin	Average	End	Average	End	Average	End
Paid drill training:										
Officers	A	48	15	41,921	42,246	42,320	43,159	44,000	45,000	46,000
Enlisted				202,576	199,212	180,615	190,671	193,113	201,619	209,250
Officers	F	0	(1)	2	7	13	3	0	0	0
Enlisted				16,957	16,194	14,037	18,023	26,887	29,424	29,720
Subtotal:										
Officers				41,923	42,253	42,333	43,162	44,000	45,000	46,000
Enlisted				219,533	215,346	194,652	208,694	220,000	231,043	239,000
Total				261,456	257,599	236,985	251,856	264,000	276,043	285,000
Paid active duty training only:										
Subtotal:										
Officers	D	0	15	26,133	26,133	26,133	29,057	29,057	26,359	26,359
Enlisted				21,064	21,064	21,064	51,300	51,300	51,300	51,300
Total				47,197	47,197	47,197	80,357	80,357	58,359	58,359
Total paid status:										
Officers				68,056	68,386	68,466	72,219	73,057	71,359	72,359
Enlisted				240,597	236,410	215,716	259,894	271,300	263,043	271,000
Total				308,653	304,796	284,182	332,213	344,357	334,402	343,359

<sup>1</sup> Minimum 4 months.

sents the total number of personnel participating during the fiscal year, and average and end strengths are identical in any one year.

NOTE.—Averages computed by doubling the end strengths of the months of July through May, adding 30 June strengths of the previous year and the year under consideration, and dividing the total by 24, except for Pay Group D. Pay Group D repre-

*Paid drill strength by month*

	Fiscal year 1963, actual	Fiscal year 1964, esti- mated	Fiscal year 1965, esti- mated
July 1.....	261,456		
July 31.....	255,999	<sup>1</sup> 238,896	266,532
Aug. 31.....	269,432	<sup>2</sup> 241,259	271,174
Sept. 30.....	275,395	<sup>3</sup> 241,423	273,971
Oct. 31.....	274,979	<sup>4</sup> 244,185	274,973
Nov. 30.....	270,042	<sup>5</sup> 245,798	277,385
Dec. 31.....	265,149	250,161	275,687
Jan. 31.....	254,748	255,724	276,989
Feb. 28.....	249,275	258,887	277,741
Mar. 31.....	245,152	263,550	280,813
Apr. 30.....	242,207	266,263	281,025
May 31.....	239,582	265,026	281,742
June 30.....	236,985	264,000	285,000
(Average).....	(257,599)	(251,856)	(276,043)

<sup>1</sup> 238,681 actual.  
<sup>2</sup> 240,442 actual.

<sup>3</sup> 242,937 actual.  
<sup>4</sup> 246,431 actual.

<sup>5</sup> 250,578 preliminary.

## Reserve personnel, Army—Program drill pay strengths

	Fiscal year 1963			Fiscal year 1964			Fiscal year 1965		
	Begin	Average	End	Begin	Average	End	Begin	Average	End
Officer:									
Pay group A:									
TOE units	33,205	33,075	32,694	32,694	33,488	34,284	34,284	35,284	36,284
TD units	5,654	6,144	6,633	6,633	6,633	6,633	6,633	6,633	6,633
S. & F., USAR Sch.	2,690	2,696	2,693	2,693	2,696	2,699	2,699	2,699	2,699
Mob Des, SS	363	331	300	300	342	384	384	384	384
Total	41,921	42,246	42,320	42,320	43,159	44,000	44,000	45,000	46,000
Enlisted:									
Pay group A:									
TOE units	189,676	188,050	167,190	167,190	177,330	179,857	179,857	188,363	196,024
TD units	11,623	11,908	12,194	12,194	12,110	12,025	12,025	12,025	12,025
S. & F., USAR Sch.	1,277	1,254	1,231	1,231	1,231	1,231	1,231	1,231	1,231
Total	202,576	199,212	180,615	180,615	190,671	193,113	193,113	201,619	209,280
Total drill pay	244,497	241,458	222,935	222,935	233,830	237,113	237,113	246,619	255,280
Officer:									
Enlisted	41,921	42,246	42,320	42,320	43,159	44,000	44,000	45,000	46,000
Total	202,576	199,212	180,615	180,615	190,671	193,113	193,113	201,619	209,280

*Reserve personnel, Army—Reduction of drill pay strength to 15-day ACDUTRA personnel*

	Begin fiscal year 1965			End fiscal year 1965		
	Drill pay strength	Non-attendance	Potential	Drill pay strength	Non-attendance	Potential
<b>Officers:</b>						
TOE units.....	34,284		34,284	36,284		36,284
TD units.....	6,633		6,633	6,633		6,633
S. & F. USAR schools.....	2,699		2,699	2,699		2,699
Mob Des (Sel Svc).....	384		384	384		384
<b>Total.....</b>	<b>44,000</b>		<b>44,000</b>	<b>46,000</b>		<b>46,000</b>
<b>Enlisted:</b>						
TOE units.....	179,857	25,492	154,365	196,024	35,950	160,074
TD units.....	12,025	1,703	10,322	12,025	2,205	9,820
S. & F. USAR schools.....	1,231	0	1,231	1,231	0	1,231
<b>Total.....</b>	<b>193,113</b>	<b>27,195</b>	<b>165,918</b>	<b>209,280</b>	<b>38,155</b>	<b>171,125</b>

*Reserve personnel, Army—Officer input to 6-month training program*

	Input to 6-month training	Man-months midmonth average	Completions
Fiscal year 1961 actual.....	4,253	26,760	4,623
Fiscal year 1962 actual.....	778	9,484	985
Fiscal year 1963 actual.....	19	169	6
Fiscal year 1964 estimate.....	0	0	0
Fiscal year 1965 estimate:			
July 1964.....			
August 1964.....			
September 1964.....			
October 1964.....			
November 1964.....			
December 1964.....			
January 1965.....			
February 1965.....			
March 1965.....			
April 1965.....			
May 1965.....			
June 1965.....			
<b>Total, fiscal year 1965 estimate.....</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Reserve personnel, Army—REP-63 training*

	Enlistments	Input	Man-months midmonth average strength
Fiscal year 1961 actual.....	45,566	45,869	236,106
Fiscal year 1962 actual.....	25,673	24,239	176,328
Fiscal year 1963 actual.....	28,905	33,301	193,608
Fiscal year 1964 estimate.....	48,000	47,100	216,281
Fiscal year 1965 estimate:			
July 1964.....	4,900	4,900	28,202
August 1964.....	6,900	7,700	31,770
September 1964.....	4,900	4,600	33,275
October 1964.....	4,900	4,700	32,333
November 1964.....	5,900	8,300	33,814
December 1964.....	1,900	0	31,839
January 1965.....	4,900	4,500	27,648
February 1965.....	4,900	4,700	26,031
March 1965.....	6,900	7,200	26,239
April 1965.....	4,400	4,200	26,835
May 1965.....	5,400	7,200	26,658
June 1965.....	5,900	3,800	28,445
<b>Total, fiscal year 1965 estimate.....</b>	<b>61,800</b>	<b>61,800</b>	<b>353,089</b>

## Reserve personnel, Army—Reserve officer candidates (ROTC) enrollment

	Fiscal year 1963			Fiscal year 1964			Fiscal year 1965		
	Actual, ingoing	Average	Actual, outgoing	Actual, ingoing	Average	Estimated, outgoing	Estimated, ingoing	Average	Estimated, outgoing
MS-I.....	87,291	78,971	70,651	82,500	74,638	66,776	87,500	79,162	70,823
MS-II.....	59,995	56,281	52,568	54,750	51,361	47,972	51,745	48,542	45,339
MS-III.....	14,470	14,275	14,080	14,400	14,206	14,011	17,700	17,461	17,222
MS-IV.....	12,962	12,604	12,246	13,800	12,633	12,566	13,235	12,870	12,504
Basic.....	147,286	135,252	123,219	137,250	125,939	114,748	139,245	127,704	116,162
Advance.....	27,432	26,879	23,326	27,700	27,139	26,577	30,935	30,331	29,726
Total.....	174,718	162,131	149,545	164,950	153,138	141,325	170,180	153,035	145,888
Summer camp.....	1962	-----	June 1963	July 1963	-----	June 1964	July 1964	-----	June 1965
Number of camps.....	13,283	-----	13,436	13,436	-----	13,369	13,369	-----	16,433
Junior division.....	13	-----	7	7	-----	7	7	-----	7
Estimated yield of commissioned officers from outgoing MS-IV.....	70,512	-----	64,623	69,000	-----	63,239	70,000	-----	64,155
	-----	-----	11,228	-----	-----	11,886	-----	-----	11,828

## 8100 Reserve personnel

Project	Title	Actual, fiscal year 1963	Estimate—	
			Fiscal year 1964	Fiscal year 1965
8110	Pay and allowances, active duty for training, officers	\$29,484,648	\$31,994,000	\$34,270,000
8120	Pay and allowances, active duty for training, enlisted personnel	37,020,566	42,034,000	55,385,000
8130	Pay and allowances, inactive duty training, officers	33,249,100	37,370,000	40,147,000
8140	Pay and allowances, inactive duty training, enlisted personnel	45,351,000	48,600,000	53,205,000
8150	Individual clothing and uniform gratuities	6,112,415	9,165,000	11,507,000
8160	Subsistence in kind	8,091,437	10,109,000	14,310,000
8170	Travel, active duty for training, officers	4,668,526	4,848,000	4,855,000
8180	Travel, active duty for training, enlisted personnel	10,463,066	12,582,000	13,321,000
8190	Other costs relating to Army reservists	322,000	400,000	400,000
	Total direct obligations	174,760,758	197,100,000	227,400,000

## 8200 Reserve officer candidates (ROTC)

Project	Title	Actual, fiscal year 1963	Estimate—	
			Fiscal year 1964	Fiscal year 1965
8210	Pay and allowances of Reserve officer candidates	\$8,461,450	\$8,684,000	\$9,511,000
8220	Individual clothing	4,326,263	3,477,000	4,549,000
8230	Subsistence in kind	725,302	660,000	686,000
8240	Travel of Reserve officer candidates	671,741	679,000	754,000
	Total direct obligations	14,184,756	13,500,000	15,500,000

## ACHIEVEMENT OF ANTICIPATED STRENGTHS

Mr. SIKES. General Sutton, the Congress has been very interested for a long, long time in maintaining the strength of the Reserve components.

It has assisted in every way possible toward that objective.

Because of circumstances that were certainly beyond the control of the Reserve organizations, the same figures in recent months have been considerably lower than the objective figures, and lower than the figures that were budgeted for.

You indicate you feel we are gradually growing out of this situation, that you can build back toward a strength of 300,000 drill paid reservists.

At this reading, now that we are closer to the picture than you were when the budget estimate was prepared, tell the committee whether you consider the present anticipated figure is realistic.

Can you achieve the strength figures you have set forth in this budget?

General SUTTON. We can achieve the strength figures we have set forth in the budget.

Mr. SIKES. What steps will you use to do that?

General SUTTON. We have already instituted an intensive recruiting campaign. I have the Army and corps recruiting officers coming into my office February 3, at which time I am giving them a new recruiting manual we have just completed. Principally, it involves the technique of recruiting, the thing that has been needed.

There has been a great deal of emphasis on recruiting from the continental Army commander. We now have mutual support of the Army recruiters in making referrals to the Reserve organizations. This is producing good results.

I am giving this my personal attention, and have already set up a plan whereby two officers from my office will visit all corps to actually establish recruiting schools to show all our recruiting officers in Reserve units how to recruit and how to get the best results from their efforts. I am sure this will produce the desired result.

Mr. SIKES. This is a new approach to recruiting?

General SUTTON. Yes, sir.

Mr. SIKES. How soon will you begin to see results from this new approach to recruiting of Reserve personnel?

General SUTTON. I would say immediately, sir.

Mr. SIKES. It is going to take some time to indoctrinate your people with these new policies and new strategies in recruitment and for it to begin to be felt out in the areas where the recruits must be located.

What is the timetable on this matter?

General SUTTON. It will be almost immediate.

Actually, we are now on a very good upward trend toward the strength we intend to achieve. Our last 6 months' efforts have produced good results. Our strength is increasing now.

Mr. SIKES. Do you think you may go beyond the strength figures set forth in this budget, or do you feel they are as optimistic as they should be at this time?

General SUTTON. I personally feel we will exceed the budgeted strength.

#### REORGANIZATION OF RESERVES

Mr. SIKES. Has the reorganization of the Army Reserve been completed?

General SUTTON. The initial reorganization that was discussed last year of the divisions and other units has been completed. It was completed the 15th of April. We have some alinements that we are still making.

For example, the brigades that were formed have to have a brigade base and that is in the process at this time.

Mr. SIKES. When will this be completed?

General SUTTON. Before annual field training this coming summer.

Mr. SIKES. Otherwise, is the reorganization now completed?

General SUTTON. Yes, sir.

#### DISTRIBUTION OF ACTIVE DUTY TRAINING DATES

Mr. SIKES. Last year some discussion was had with reference to active duty training other than in the summer months. It was felt if active duty training could be divided and carried on to some extent throughout the year, there would be advantages, less load on the Regular Military Establishment in carrying on the training program and it might work better with some reservists other than in the summer.

Has any further thought been given to this?

General SUTTON. Yes.

Mr. SIKES. What is the status of that suggestion?

General SUTTON. We are in the process of taking advantage of training with Active Army units at the time exercises and maneuvers occur, whatever time of year they happen to be scheduled.

Mr. SIKES. I think it would be well for you to expand your answer for the record and tell us just what you are doing in that connection. It is very interesting.

(The information referred to follows:)

Training is scheduled at dates and locations that will insure maximum training results consistent with economy in funds, equipment, and effort expended. Consideration in determining training schedules is given to dates and periods which will afford maximum attendance with minimum inconveniences to employers and employees alike. Opportunities for valuable training may arise at times other than during the summer.

Individual reservists may, for seasonal employment or other cogent reasons, request and have approved their active duty for training period at a time other than that of their unit of assignment.

To enhance the readiness of the U.S. Army Reserve, units and individuals will participate with increasing frequency with Active Army units in maneuvers, field exercises, and command post exercises, and other specialized types of training. Many of these will be at times other than the summer months.

For example, Logex 64 is scheduled for the spring of 1964. It is conducted in coordination with the State Department, Navy, and Air Force. The Reserve components must be ready to supplement the Active Army with logistical and administrative support, and this comprehensive yearly logistical exercise is designed to assure that such support is keeping pace with the modern Army's tactical needs. In another related area, selected Army Reserve units are scheduled to participate in Exercise Desert Strike. Also, progress is being made toward training certain units in the environment of their intended employment, in combined airlift and training exercises.

#### STATUS OF EQUIPMENT IN RESERVE UNITS

Mr. SIKES. What is the status of equipment now?

Has the equipment in the Reserve units improved significantly in the past 12 months, or is it still a slow process?

General SUTTON. It has improved in the past 12 months. We now have approximately 62 percent of our stock funded equipment.

Mr. SIKES. What kind of equipment are you getting—fully modern equipment, the same that the Regular Army units are receiving?

General SUTTON. Generally, in the type of equipment I just mentioned, we are. In our PEMA equipment, we are getting some new equipment, brand new, and the other is fallout from the Active Army, but is completely usable.

Mr. SIKES. Is the principal problem still one of a lack of available equipment, or a lack of safe storage for the equipment?

General SUTTON. Those two are correlated.

Actually, we still have a shortage of space to store equipment, and still need to increase our ability to maintain it. The shortage of equipment generally has an adverse effect on training.

#### USE OF RETIRED RESERVE PERSONNEL

Mr. SIKES. This is sort of an aside, but I note you carry retired personnel as part of your total Reserve strength. Why do you do that?

When a man is retired, he is theoretically of no more value to the Military Establishment.

General SUTTON. He is actually a part of the Reserve. We keep records on the strength. They are still available for call in the event of a war or national emergency declared by Congress.

Mr. SIKES. Is this realistic?

Most retired personnel are beyond the age when they will be active. Is it realistic to carry them as being available for service?

General SUTTON. Any call would have to be selective, sir. There are many in the retired group who are quite capable of performing duty.

Mr. SIKES. So it is a selective matter?

General SUTTON. Yes, sir.

#### STATUS ON FULFILLMENT OF 6-YEAR OBLIGATION

Mr. SIKES. Again, an aside—I note the reference to the 6-year obligation which reservists have. What happens when a man has completed his obligation and a state of national emergency develops?

What is his status after he has completed his Reserve obligation but is still 27 or 28 years old?

General SUTTON. If he is completely out of the Reserve—has finished his 6-year enlistment—he is the same as anyone else for the purposes of the draft.

Mr. SIKES. He is then eligible for the draft in case of an emergency?

General SUTTON. If he is within the age limit, yes.

Mr. SIKES. May I ask, have you had full Army support in your efforts to build the Reserve organization back to the budgeted strength?

General SUTTON. Yes, sir; definitely.

Mr. SIKES. No reservations there?

General SUTTON. No reservations.

Mr. SIKES. That is good.

#### CALLING OF ROTC GRADUATES FOR 2-YEAR DUTY

I note you are calling all your ROTC graduates for 2 years' duty. A few years ago most of them were being called for 6 months only. What has caused the difference?

General SUTTON. The need for officers in the Active Army.

Mr. SIKES. Does that mean there is a shortage of officers from other sources?

Just what has brought about this difference? Are too many junior officers getting out of the Army, causing these vacant slots? What is the cause?

General SUTTON. I am not familiar with personnel gains and losses of the Active Army. I do know it requires more officers for the Active Army than other sources produce.

Mr. SIKES. I think it would be well if someone would prepare for us a complete analysis on this problem—the reason you have this now serious demand for young officers when a few years ago you had too many.

(The information referred to follows:)

In fiscal year 1962 the strength of the Army was increased from 870,000 to 960,000. This generated a requirement for over 10,000 additional officers. This increase in the strength of the Army, coupled with the fact that we have not been able to retain young officers in sufficient numbers, has created annual

procurement requirements which exceed the numbers produced annually under former procurement policies. In order to attain and maintain this increased strength, former procurement sources have been expanded. For example, the OCS output has been tripled from about 565 in fiscal year 1961 to 1,800 in fiscal year 1965. Also, legislation has been introduced to increase the size of the USMA.

Although all other sources for procurement of officers are being expanded, they will not produce the required number of officers to meet the increased officer requirements without taking all ROTC graduates for 2 years active duty.

#### RELATION OF EXPENDITURE ESTIMATES TO BUDGET

Mr. SIKES. The budget for fiscal year 1965, page 202, shows expenditures in fiscal year 1964 nearly equal to appropriations, but in fiscal year 1965 expenditures are nearly \$7 million below estimated appropriations. Why is that?

Mr. PETHAL. This has to do with the appropriated level as between 1964 and 1965. The 1964 appropriation is \$210,100,000, and 1965 is \$242.9 million.

A much higher obligation level in the second year would result in expenditures that would not be recorded until the following year; fiscal year 1966 in this case. They will stay quite close if the obligation level is stable over the years.

Mr. SIKES. Since this is nearly all salaries and related expense, there should not be any carryover. If you cannot spend this much money, you are not going to need this much money.

How realistic are your figures?

Mr. PETHAL. As nearly as we can tell, they are completely realistic. Most of the increase in 1965 over 1964 is from the military pay increase and increased paid drill strength, which are heavily felt in the drill pay accounts, which accounts are paid quarterly on quarterly payrolls, meaning some of the expenditures always lap over, a goodly portion, to the following fiscal year. This accounts for the expenditure difference.

Mr. SIKES. Back to the matter of recruitment, we discussed new methods of recruitment. May I ask, have the criteria with respect to recruitment, unit strength, and so forth, been changed?

General SUTTON. Not since last year.

#### AUTHORIZATION FOR UNIT OVERSTRENGTH

Mr. SIKES. Unit strengths are the same, criteria on recruitment are the same?

General SUTTON. Yes, sir.

Mr. SIKES. Are overstrengths authorized in any units?

General SUTTON. The same overstrength as was discussed last year. Ten percent for company-sized units within a larger unit, so long as the larger unit strength does not exceed the authorized strength.

During this year an overstrength from reorganization was allowed in excess of that. This is to go off by May 1, 1964.

Mr. FORD. This temporary overstrength authorization, is that an unlimited authorization?

General SUTTON. That is correct; yes, sir.

Mr. FORD. When you go back to the more or less limitation, at what level do you then have an overstrength authorization?

General SUTTON. Back to the 10 percent for the unit.

Mr. FORD. You go back to the old criteria of 10 percent for a unit within a major unit?

General SUTTON. That is correct.

Mr. FORD. Why, after a reorganization as extensive as this one, do you need that extra leeway?

General SUTTON. The 10-percent leeway?

Mr. FORD. Yes, sir.

General SUTTON. This a regular authorization to help provide for the maintenance of our authorized strength throughout the Reserve. It is not related to the reorganization. We had it before and we have it now.

In other words, in recruiting in various communities, one unit will be able to recruit a few more people than another, so within a battalion, or a brigade, or a division, in order to maintain its total strength, authorized, you have to allow these units that can recruit a few more to do that, as long as some other unit is not quite up to its authorized strength.

Mr. FORD. Are there a few bloated and some that are kind of lean in this regard? What are the circumstances?

General SUTTON. About 600 of our 4,100 units are overstrength at the present time. However, many others are understrength.

Mr. FORD. Is that about average in a regular year, or is it different this year?

General SUTTON. This is partly the reorganization and partly what would be a normal situation. This is higher than the average will be.

Mr. FORD. So come October when your anniversary date is—

General SUTTON. Actually, by the end of April we will have eliminated the overstrength due to the reorganization.

#### COST OF SUBSISTENCE

Mr. SIKES. In the justification, pages 33, 34, and 35, there are detailed computations in support of the estimates for subsistence in kind.

However, there is not in the justification an explanation of the reasons why subsistence in kind should have risen from \$8 million in 1963 to more than \$14 million in 1965. Will you explain this?

Mr. PETHAL. It is primarily two reasons.

First and most important is an increase in the input to REP-63 training, an increase from 47,100 in fiscal year 1964 to 61,800 in fiscal year 1965. All of these are enlisted, and subsistence is directly related to that.

Secondly is the increase in pay drill strength itself, in which the increase is primarily enlisted.

The summer camp portion of that involves the feeding of the troops. It is primarily those two reasons.

#### VALIDITY OF 6-YEAR SERVICE OBLIGATION

Mr. SIKES. Go back to the 6-year obligations for a moment.

Is the 6-year obligation a realistic one in comparison with the requirements of other nations, and as a part of the same question, would it be more realistic to go back to an 8-year obligation?

General SUTTON. We think the 6-year obligation is realistic. I personally feel it is better than eight.

Mr. SIKES. You are satisfied with it?

General SUTTON. Yes sir.

#### PENDING LEGISLATION ON ROTC

Mr. SIKES. In the last session of Congress, a bill with respect to Reserve Officer Training Corps failed passage on suspension since it did not obtain the two-thirds majority. What is the Army's position on this legislation this year?

Do you support the legislation?

Do you feel it is needed legislation?

General KENAN. We do. We support the legislation and we think it is needed legislation.

Mr. SIKES. Will you submit for the record a listing of the principal reasons why you think it is important?

Mr. FORD. And an explanation of the bill with their reasons for justifying it?

General KENAN. Yes, sir.

(The information referred to follows:)

1. The purpose of H.R. 9124 is to vitalize and improve the ROTC program. The bill provides for continuation of the 4-year senior ROTC program, the establishment of an optional 2-year ROTC program, and authorizes the military departments to provide financial assistance to selected students in the senior ROTC program.

2. Specifically, H.R. 9124:

(a) Applies to all services.

(b) Preserves the 4-year ROTC program.

(c) Authorizes a 2-year ROTC program; requires participants in the 2-year program to attend a preparatory summer camp.

(d) Provides scholarships for participants in the 4-year program.

(e) Raises the retainer pay on campus from \$27 to \$50 per month.

(f) Allows junior college and transfer students to qualify for the participation in the last 2 years of the 4-year program by attending an extra summer camp.

(g) Permits the conduct of both 2- and 4-year programs at same institution.

(h) Raises advanced summer camp pay from \$78 to \$111.15 per month; provides for pay at basic summer camp equivalent to that of pay grade E-1.

3. The Department of the Army supports the objectives of the proposed legislation and believes that if the bill is enacted, it will make the ROTC program more desirable and more attractive to institutions and students and will serve to improve the quality of the product. Scholarships and increased monetary incentives are considered desirable and will be of assistance in encouraging quality students to enter the program. The optional 2-year program feature will enable sophomore students, junior college graduates, and transfer students to enroll in the advanced ROTC course and earn commissions in the Army.

#### OBLIGATIONS BY MONTHS

Mr. SIKES. Will you tell the committee at this time, and provide in tabular form for the record, obligations by months so far in fiscal year 1964? Give us a brief summary now and provide it in tabular form for the record.

Mr. PETHAL. Mr. Sikes, we have the actual obligations as of November. We do not have them by month running through November, but we will submit that for the record if you wish.

Mr. SIKES. All right.

(The information referred to follows:)

## Fiscal year 1964 obligations, Reserve personnel, Army

[Thousands of dollars]

	Monthly	Cumulatively
July 1963.....	\$30,187	\$30,187
August.....	26,297	56,484
September.....	13,252	69,736
October.....	15,342	85,078
November.....	11,438	96,516

## SUCCESS OF ROTC PROGRAM

Mr. SIKES. How successful do you consider the junior division and the MS-I and MS-II programs in ROTC? I will give you some background for that question.

In fiscal year 1963 the outgoing number of MS-II trainees was 52,568, and in fiscal year 1964 the ingoing number of MS-III students was 14,400. On the basis of the estimates shown on page 12 of the justifications, there will be a yield of 11,886 commissioned officers from this group. There is such a wide gap between the number of trainees in the MS-I, MS-II programs, and the MS-III program and the actual number to be commissioned that many people wonder whether the program is really a success.

Will you comment on that?

General KENAN. We do feel that the program is successful, both in the basic ROTC course and in the advanced ROTC, despite the discrepancy that you point out between the numbers of students ingoing into MS-I and II and the number of officers that are produced.

As you know, many schools, and particularly the land grant schools, have a requirement for the student to take ROTC. In the first 2 years of his 4-year course the land-grant college student must take ROTC, and this is what accounts in part for the dropoff between MS-II and MS-III. We feel, nonetheless, that there is real value that the student obtains through his ROTC program, and that the Nation obtains through the student's participation in the ROTC. More important is the selection of students to enter MS-III from those who successfully complete MS-II. The large base in MS-II from which the Army selects MS-III's has made possible the high quality of the officers produced by the ROTC program. We will be most desirous of continuing the program in that respect.

Mr. SIKES. Any questions on personnel?

## ENLISTMENT FOR SPECIFIC TRAINING

Mr. FORD. General, turning to page 8 of your prepared text, I am interested in this Reserve enlistment program.

When a young man enlists with an Army Reserve outfit, he enlists for 6 years; is that correct?

General SUTTON. That is correct.

Mr. FORD. When he does so enlist, does he know at that time whether he will be required to go 4 months, or 12 months, or some intermediate period, at the time he enlists?

General SUTTON. He does know because he is enlisted for a specific MOS, and is told at that time how much time that MOS requires in training.

Mr. FORD. Would you put in the record a clear statement which will indicate that an individual who does enlist is fully informed as to what his active duty obligation is under this program?

If you could outline the steps by which an individual is informed, both orally and in writing, so there will be no doubt about what he is signing up for, I think it would be helpful.

General SUTTON. I will put that in the record.

(The information referred to follows:)

Liaison with selected USAR Centers confirm that the provisions of paragraph 15g, Army Regulations 140-111, are being complied with in connection with the enlistment of REP-63 personnel. Paragraph 15g, AR 140-111, reads as follows:

"g. All commanders will insure that each individual enlisting in the Army Reserve has a clear concept of what is expected of him prior to the time he executes the oath of enlistment. Accordingly, an explanation to each prospective enlistee should include, but not be limited to—

"(1) The length of his military service obligation.

"(2) Testing required to determine his aptitude or ability to be trained in various fields.

"(3) Discussion regarding the recommended MOS for which he is to be trained provided tests indicate he is qualified.

"(4) Discussion regarding the MOS training he will receive in the event tests indicate he does not qualify for the recommended MOS.

"(5) His initial active duty for training requirement. This period will be dependent upon the MOS for which enlisted.

"(6) Approximately when he must enter on active duty for training.

"(7) What the requirements are for his drill and annual field training.

"(8) The enforcement measures that will be taken should he fail to participate satisfactorily."

In addition to the foregoing, AR 140-111 requires that the following acknowledgment of understanding of service required be signed in triplicate by the enlistee and that he be furnished a copy of the acknowledgment:

"Format A

6 year Enlistment

(17-25 incl.) (SN prefix ER)

Date -----

"In connection with my enlistment as a Reserve of the Army for service in the Army Reserve, this date, I hereby agree to and understand that—

"I incur a military obligation for 6 years.

"I will participate with my unit in scheduled training effective immediately.

"I will enter on active duty for training for a period of \_\_\_\_ weeks within 120 days of this date, unless a delay for a longer period is authorized by the Department of the Army. If I am a high school student, I may be delayed in reporting for active duty for training for not more than one year, until I graduate, until I cease to pursue such course satisfactorily, or until I become 20 years of age, whichever occurs earlier. If I am enlisting for a position requiring security clearance for access to or work with classified military information or equipment, I may be delayed in reporting for active duty for training for a period necessary to accomplish the required clearance but not more than one year.

"After completing the \_\_\_\_ weeks training, I will serve in the Ready Reserve for the remainder of my 6-year military service obligation. If for any reason I cannot satisfactorily complete the required training (schooling) in the MOS for which I originally entered on active duty for training, I will be required to accept training of a duration not to exceed a total of 6 months to qualify in an alternate MOS as determined by the Army and/or unit commander.

"During my Ready Reserve service, both before and after my active duty training I am required to participate satisfactorily in the scheduled drills (at least 48 each year) and annual active duty for training (USAR not more than 17 days per year) (ARNG not less than 15 days per year) unless excused therefrom by proper authority. Should proper authority transfer me from my unit to the Ready Reserve Mobilization Reinforcement Pool I will, when directed, perform not more than 30 days active duty for training annually.

"I must, prior to moving to another location (town, city, community, state, etc.), report any change of address to my unit commander or his representative. Within 30 days after arriving at my new home or residence, I must report to the nearest National Guard Armory or U.S. Army Reserve Training Center for instruc-

tions and possible assignment. If, prior to this time, I have not performed my initial active duty for training as agreed to above, I realize that, at a time convenient to the service but in any case before I have completed one year of my 6-year military service obligation, I must enter on this active duty training or 6 months active duty for training as determined by the needs of the service in my own area of residence.

"I must reply promptly to any military correspondence directed to me.

"I further understand that—

"If in any year I fail to perform satisfactorily any of the requirements set forth above, I can be ordered to perform active duty for training for a maximum of 45 days or be reported to Selective Service for immediate induction.

"In the event of war or national emergency declared by Congress my enlistment, which would otherwise expire, will be continued in effect until 6 months after the end of such war or emergency, unless sooner terminated.

"Signature -----

"Name typed -----

"Witnessed by: \_\_\_\_\_

"Unit Commander or Authorized Representative" \_\_\_\_\_

BASIS FOR SIMILAR OBLIGATION WITH LESS ACTIVE SERVICE

Mr. FORD. What is the rationale that a man who signs up for 6 years and who signs up for an MOS that requires 12 months gets no less obligation than a person who signs up for a 4-month active duty period?

General SUTTON. The man at the time of enlistment enlists for a specific job. He does this voluntarily.

For example, if he enlists for a job requiring 12 months total basic training and advanced training and schooling, he knows this and volunteers to take that number of months' training.

Mr. FORD. That is the only explanation? It is knowledge on his part?

General SUTTON. Actually, it is more valuable to him in some instances to do so.

Mr. FORD. Why is that?

General SUTTON. Because he could learn a trade, or improve his knowledge in a certain area he might be interested in, electronics or that type of thing. This can be quite an advantage to the young man who wants to do that and is qualified to do it.

EFFECT OF DEFERMENT OF MARRIED PERSONS

Mr. FORD. Another problem that has arisen—I think my office experiences this more in the Guard than in the Reserve—is this situation that developed at the time the President made the determination that men with a family, or in a marriage status, were no longer eligible for the draft. Have you had many experiences as far as the Army Reserve is concerned in this area?

General SUTTON. We are unable to tell that it has had any great impact on our recruiting.

Mr. FORD. What about the fellow who got called up because he enlisted we will say a week, or 24 hours, before this new order came into effect? Have you had many instances of alleged hardship in those cases?

General SUTTON. I have had no instances of alleged hardship that I recall.

I have had one or two instances where a man requested to be released because he had just enlisted a few days prior to this order. Of course, in those cases he had already signed the contract. The provision was not retroactive so there was nothing to be done.

Mr. FORD. You make no exceptions?

General SUTTON. That is correct.

Mr. FORD. So far as your office is concerned, there have been no exceptions granted to people in those circumstances?

General SUTTON. None to my knowledge.

Mr. FORD. Is it the ultimate aim of the Army Reserve to get back up to the 300,000 figure?

General SUTTON. Yes, sir, as quickly as possible.

Mr. FORD. What is the reason why in fiscal year 1965 you are not planning to go that high?

General SUTTON. At the time of preparation of the budget, information available at that time indicated that 264,000 by end fiscal year 1964 was a realistic figure.

#### LIKELIHOOD AND COST OF REACHING 300,000 STRENGTH

Mr. FORD. Because of the budget, or because of recruiting, or because of reorganization?

General SUTTON. Because of the strength situation and the rate of recruiting at that time.

Mr. FORD. In other words, it is our judgment as head of the Army Reserve that if you had no money problems, you could not go above 264,000?

General SUTTON. What I said was that at the time the preparation for this budget began, that was the situation. I now personally think that 264,000 will be exceeded and I feel that our recruiting achievements indicate that such will be the case.

Mr. FORD. In other words, you are saying as of today, January 21, if you did not have any budget problems, you could go to 300,000 in fiscal year 1965?

General SUTTON. Yes, sir.

Mr. FORD. How much more in dollars would that require in fiscal year 1965 if you did not have this dollar problem?

General SUTTON. \$12.9 million.

Mr. FORD. That is in the personnel account?

General SUTTON. \$12.5 million in RPA, and \$400,000 in program 2600.

Mr. FORD. How much of that is in O. & M., if you have that figure available?

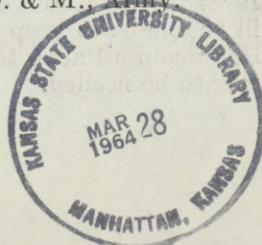
General SUTTON. \$400,000.

Mr. PETHAL. This is O. & M. Army, budget program 2600, the Reserve's O. & M. I do not believe we have computed the implication of the active Army O. & M. yet. We would need that to get a total figure.

Mr. FORD. Put in both figures, what you think you would need in the two accounts here for Army Reserves, and what is the Army's best estimate of what would be required in O. & M., Army.

Mr. PETHAL. Yes, sir.

(The information referred to follows:)



*Additional fiscal year funds that would be required to support increase in end strength from 285,000 to 300,000 in U.S. Army Reserve paid drill end strength*

	Million
Reserve personnel, Army.....	\$12.5
Operation and maintenance, Army.....	15.1
<b>Total</b> .....	<b>17.6</b>

<sup>1</sup> Includes \$0.4 million for budget program 2600, Army Reserve and ROTC.

#### RECRUITMENT, STRENGTH, AND TURNOVER RATES

Mr. SIKES. The strength figure now is what?

General SUTTON. 253,112 is the flash strength report for 31 December.

Mr. SIKES. What strength do you think you can achieve by the end of this fiscal year?

General SUTTON. By the end of this fiscal year—

Mr. SIKES. Under the most optimistic conditions.

General SUTTON. I personally think we can achieve 281,000 by the end of fiscal year 1964.

Mr. SIKES. Your goal for the figure budgeted for the end of fiscal year 1964 is how much?

General SUTTON. We are budgeted at 264,000 for the end of fiscal year 1964.

Mr. FORD. I noticed somewhere in your statement you are doing better currently than you forecasted—about 5,000 better; is that correct?

General SUTTON. That is correct, yes.

Mr. FORD. If you maintain this rather optimistic—and I think desirable—recruiting level, what is that going to do to your end strength in fiscal year 1964?

General SUTTON. According to our present trend, and the plans we have to increase this, which I feel confident will increase it, we expect to reach 281,000.

Mr. FORD. And your budgeted figure is 264,000?

General SUTTON. Yes, sir.

Mr. FORD. How are you going to pay for it?

General SUTTON. Last year when the budget was set, we were promised—and I checked into this since I have been on duty—and have been told we should ask for additional funds and that they will be forthcoming if we can achieve a greater strength than the budgeted strength.

Mr. FORD. It is my recollection in our report we said we would support such a dollar amount if it could be justified.

General SUTTON. That is correct, sir.

Mr. FORD. If you go to 281,000 at the end of fiscal year 1964, it is your best judgment in fiscal year 1965 you will not have any problem reaching 300,000 end strength at the end of fiscal year 1965?

General SUTTON. That is my personal estimate, sir.

Mr. SIKES. May I suggest, Mr. Ford, that this committee be informed at the beginning of each month of their actual strength figures in the Reserve and their fiscal picture at that time. That will enable us to keep closer watch on the situation and with respect to our commitment to provide additional funds if we see they are going to be needed.

General SUTTON. Yes, sir.

Mr. FORD. What is your turnover rate?

General SUTTON. Our turnover rate is approximately 30 percent.

Mr. FORD. Is that good? Is it relatively better or worse?

General SUTTON. It is difficult to say whether it is good or not. This is another area in which I am making a great effort—to reduce the turnover—because this will save us dollars and assist us in achieving and maintaining our strength. I think it can be reduced.

Mr. FORD. Thirty percent; is that for both officers and enlisted personnel?

General SUTTON. That is the overall percentage.

I might add in that connection, our enlisted losses in fiscal year 1963 were 128,000, and in fiscal year 1964 they are expected to be about 85,000. We had accelerated losses in 1963 from the mobilization, reorganization, and other related actions.

#### BASIS FOR TURNOVER STATISTICS

Mr. ANDREWS. Could you tell us what is the reason for that percentage of turnover, which I think is too high?

General SUTTON. The normal turnover?

Mr. ANDREWS. Yes.

General SUTTON. In the Reserve we have young men and in that age group they are continuing their education and they are just getting jobs, they are getting married and started in life, and so forth, and it is changes in occupation and their place of residence that accounted for some of it.

Of course, there are many other reasons. For example, there are many young men who want to perform the required time and no more.

Mr. ANDREWS. What percentage do you lose by those having reached the end of their service period?

General SUTTON. I would say that it is 30 percent to 40 percent of our yearly losses.

Mr. FORD. If you are going to continue up on this trend of strength, both in 1964 and 1965, what will that do to this chart which is opposite page 9 in your prepared text? Will it have any impact at all?

General SUTTON. Yes, sir. We intend to increase our enlistments.

Mr. FORD. Could you give us an up-to-date analysis?

General SUTTON. 61,800 enlistments are in this budget.

Mr. FORD. You will go above 61,800?

General SUTTON. We expect to.

Mr. FORD. What about the enlisted obligors down below the second chart?

General SUTTON. This should be about the maximum. That is our best judgment on what it will be.

Mr. FORD. 60,200?

General SUTTON. That is the total number of people returning. We expect to assign to units about 21,900 of the 60,200 returning.

Mr. FORD. That 60,200 is the total returning from active duty?

General SUTTON. Yes.

Mr. FORD. And from that group you expect to get practically 22,000?

General SUTTON. That is correct, sir.

Mr. FORD. Now, is that a good figure or a bad figure, compared to the past?

General SUTTON. It is the same percentage as actual fiscal year 1963. I think it is a good figure.

UNOBLIGATED BALANCE IN 1963

Mr. FORD. At the end of fiscal year 1963 in this account, did you have any unobligated balances?

Mr. PETHAL. Yes, sir. The Congress appropriated \$239.2 million for fiscal year 1963. The appropriation was to provide for a 300,000 end strength, and we made a 237,000 end strength. We had in that program a 6-month input to training program of 83,000. We made about 33,000. These two elements caused a large shortfall. It was in the neighborhood of about \$50 million. Some \$17 million of this was transferred to the emergency fund, leaving approximately \$33 million unobligated at end fiscal year 1963.

Mr. FORD. Was it necessary to have special legislation to make that transfer, or could that have been done, and was it done, under the existing legislation?

Mr. PETHAL. I believe it was done under existing legislation.

Mr. FORD. What is your anticipated obligation picture in fiscal year 1964? Do you expect to have an equally large unobligated balance?

Mr. PETHAL. No, sir. In fiscal year 1964 the appropriation is \$210.1 million. The military pay increase should add a requirement of about \$500,000 to that, making a total of \$210,600,000. If we exceed the 264,000 strength and reach the 281,000 which the general feels will happen, then we would need something like \$3 million additional in RPA.

The funds that are saved in 1964 have been applied to the military pay increase for fiscal year 1964 in this budget. That means that the 1964 budget is extremely tight and anything above it would probably require additional funds.

Mr. FORD. General, have you been authorized to do whatever you can to go to 281,000, or whatever the figure is you can achieve in end strength for 1964?

General SUTTON. I have been given no restrictions. The answer is "Yes, sir."

Mr. FORD. You have the authority to proceed at whatever level you can achieve within the criteria that were established last year by the Secretary of the Defense. Were there not three basic ones?

General SUTTON. Yes, sir.

Mr. FORD. That is all.

Mr. SIKES. Thank you very much, gentlemen. It is a pleasure to hear you.

## NATIONAL GUARD PERSONNEL, ARMY

## WITNESSES

MAJ. GEN. WINSTON P. WILSON, CHIEF, NATIONAL GUARD BUREAU  
 MAJ. GEN. B. F. TAYLOR, DIRECTOR OF ARMY BUDGET, OFFICE,  
 COMPTROLLER OF THE ARMY  
 BRIG. GEN. FRANCIS S. GREENLIEF, DEPUTY CHIEF, NATIONAL  
 GUARD BUREAU  
 COL. C. R. UNDERWOOD, CHIEF, ARMY COMPTROLLER DIVISION,  
 NATIONAL GUARD BUREAU, ARMY

*Object classification*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct obligations:			
11 Personnel compensation: Military.....	172,604	191,800	210,700
12 Personnel benefits.....	12,197	16,400	17,100
21 Travel and transportation of persons.....	8,608	11,100	12,000
22 Transportation of things.....	52		
26 Supplies and materials.....	24,320	32,000	34,700
42 Insurance claims and indemnities.....	29		
Total direct obligations.....	217,810	251,300	274,500
Reimbursable obligations:			
26 Supplies and materials.....	1,132	1,100	1,100
Total obligations.....	218,942	252,400	275,600

*Program and financing*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Program by activities:			
Direct program: Reserve component personnel.....	217,810	251,300	274,500
Reimbursable program: Reserve component personnel....	1,132	1,100	1,100
Total obligations.....	218,942	252,400	275,600
Financing:			
Advances and reimbursements from (-)-			
Other accounts.....	-665	-500	-500
Non-Federal sources <sup>1</sup> .....	-467	-600	-600
Unobligated balance lapsing.....	25,664		
New obligational authority.....	243,474	251,300	274,500
New obligational authority:			
Appropriation.....	261,800	242,800	274,500
Transferred to "Emergency fund, Defense" (76 Stat. 334)...	-18,326		
Appropriation (adjusted).....	243,474	242,800	274,500
Proposed supplemental due to Uniformed Services Pay Act of 1963.....		8,500	

<sup>1</sup> Reimbursements from non-Federal sources are derived from sale of meals to officers from enlisted messes (10 U.S.C. 4621).

Mr. SIKES. General Wilson, it is always a pleasure for this committee to hear you. Will you proceed, please?

## GENERAL STATEMENT

General WILSON. It is indeed a privilege to appear before this committee to present the Army National Guard requirements for fiscal year 1965, and to report upon our progress and accomplishments

during this and the prior fiscal year. This is my first appearance before this committee as Chief of the National Guard Bureau, as well as my first opportunity to present the requirements of the Army National Guard.

Mr. SIKES. I think this committee would like to add for the record its congratulations which we have individually given to you personally. You merit the selection as Chief of the National Guard Bureau.

Mr. ANDREWS. I predict it will be first of many appearances he will make.

General WILSON. I hope I have the privilege.

Before proceeding with the details of the budget request, I will report upon the major accomplishments of the Army National Guard during fiscal year 1963, and to date in this fiscal year.

The events of the past several years have made it crystal clear to the Reserve Forces that our concepts, with respect to the utilization of these forces, as well as the reaction times required, have undergone drastic changes. This has been particularly noticeable since 1961. It is evident to each of us that we must be ready now to respond to the need that would exist in either a cold or a hot war situation, actual or potential. This requirement for a "ready now" state of readiness poses a challenge which we in the Guard will do everything in our power to meet.

I will outline some of the major actions we have in being or in planning which will portray many things that can be done and the extent to which they will be done within the resources provided. These are essential efforts to meet the ever-increasing need for mobilization readiness without substantially increasing the overall costs involved. These are:

- (a) Structure of the Army National Guard.
- (b) Improved enlistment procedures.
- (c) Military occupational specialty tests.
- (d) Increased training.
- (e) Mobility.
- (f) Training with Active Forces.
- (g) Annual field training.
- (h) Aviation training.
- (i) Equipment required for training.
- (j) On-site air defense missions.

These principal programs are receiving major emphasis at this time. Collectively they involve the use of the individual guardsman, his equipment and his training. First we must reach and maintain our strength program; secondly, we must obtain maximum effectiveness from the available training time, and increase such wherever possible; and, thirdly, we must obtain the equipment that is essential to the required training.

#### STRUCTURE OF THE ARMY NATIONAL GUARD

The fiscal year 1963 reorganization and realignment of the Army National Guard was, as you know, controversial. However, once agreements were reached, it was the most rapid of any major reorganization, and was completed a full month ahead of schedule.

The Army National Guard now provides 17 infantry divisions, 6 armored divisions, 7 separate brigades, as well as nondivisional bat-

talions and companies of types and numbers required by the Army, and is converting to an all NIKE-HERCULES air defense program.

The Army National Guard troop structure is specifically designed to support the requirements of the Active Army's war plans. Approximately 59 percent of our strength is in what is now referred to as the "Immediate Reserve" and 41 percent is contained in the "Reinforcing Reserve." This division comes about by reason of mobilization priorities assigned to units on the basis of the need for the unit to meet specific mobilization mission needs. This priority structuring of units is necessary to provide for meeting all manner of contingent requirements. Emphasis on training and equipment is placed on the Immediate Reserve units. In doing this it is essential that Reinforcing units are not deprived of the capability to perform minimum essential training missions.

#### IMPROVEMENTS IN ENLISTMENT PROCEDURES

The Army National Guard has made substantial improvements in the enlistment procedures during fiscal 1963 and fiscal 1964. There is now provided flexible periods of enlistment for prior service personnel. This change in procedure, effective May 15, 1963, permits personnel with prior service to enlist in the National Guard for any period of not less than 1 year. This change from a previous 2-, 3-, or 6-year enlistment practically provides unlimited freedom in choice of length of enlistment and accordingly enhances the enlistment program.

There is now a simplified procedure for extending enlistments and reenlistments. New procedures merely require the preparation of a short form to extend an individual's service in the National Guard. This is a substantial improvement over the previous reenlistment procedures requiring extensive administrative actions.

Authorization was also extended to the States to permit enlistment of Ready Reserve obligors in grades up to and including E-5 in excess of TOE grade structure, provided unit's authorized strength is not exceeded.

In the interest of unit effectiveness and dollar economy, major emphasis has been given to achieving a better retention rate of enlisted personnel in the National Guard. As of this date, sufficient evidence has not been obtained to accurately measure the results of these actions.

The Reserve enlistment program of 1963 was implemented by the National Guard in August 1963. This program provides: (a) Uniform 6-year enlistments for all non-prior-service enlistees, (b) service obligations in conformance with enlistment periods, (c) active duty for training tours adjusted in length to the time required for qualification of the individual in the specific military occupational speciality for which he is to be trained. This program simplified enlistment periods and obligatory service and provided economy and complete effectiveness in the active duty training phase of enlistment.

#### MILITARY OCCUPATIONAL SPECIALITY TESTING

Following the Berlin buildup there was much criticism and discussion concerning the number of personnel who lacked the individual

qualifications of their military occupational specialties. The effect of this shortcoming impacted upon all Reserve components.

For several years the Active Army has been using the "enlisted evaluation system" to positively measure individual proficiency and qualification in a given occupational area. In the Guard, personal evaluation is accomplished by the Guard unit commanders and Active Army advisers.

In September 1963, a Guard division and three other separate units participated in a "pilot test" to determine the feasibility and methods of application of the enlisted evaluation system to Reserve component units. Adoption of the system will take the guesswork out of determining qualifications of individuals. We look forward to the implementation of the Active Army system within the Army National Guard in fiscal 1965.

## NEW TRAINING CONCEPTS

### INCREASED TRAINING

Training is the most important mission of the Army National Guard. The level of training in Army National Guard units has progressed to the point where unit tactics make up the major portion of the armory training program. This level of training, and the level to which we must strive, demand outdoor facilities and daylight hours. To meet this need, the Army National Guard initiated, in October 1963, a program of 8-hour training assemblies on successive days, or to use a more popular term, "weekend training." This is an effort by guardsmen to improve mobilization readiness and combat effectiveness by increasing overall training time. Such training is vital if our units are to achieve the high state of readiness never before envisioned, but now required of the Guard.

### MOBILITY

We are well into the planning necessary for the air movement of some 10,000 Army National Guard men to new training sites this summer, in the United States and in oversea bases in Puerto Rico, Hawaii, and Alaska. We hope to complete these plans and to expand them to include Europe in future years. Airlift will be provided by the Air National Guard. This plan called, Guardlift I, provides the advantages of training in air movement, the challenge of new training areas for the troops involved and a factor for increased morale and esprit de corps. It has been greeted with great enthusiasm by all concerned, Active Army and guardsmen alike.

### TRAINING WITH ACTIVE FORCES

Seventy-five hundred Army guardsmen are scheduled for participation in Exercise Desert Strike which, if conducted, will take place this year in the large desert area near Fort Irwin, Calif. This exercise, the largest armored maneuver since World War II, will include elements of the 40th Armored Division from California, an infantry brigade from Arizona, and other Army National Guard combat support units. We are looking forward with great anticipation to participation with the Active Army in this exercise.

Alaskan Eskimo scout battalions will participate in Exercise Polar Siege in Alaska this winter. Army National Guard units will also participate in Exercise LOGEX, to be held this spring at Fort Lee, Va. The participation of Army National Guard units with units of the Active Army in field exercises is indicative of the increased level of training of the Guard. We know our units are ready and willing to demonstrate their capability along with the traditional "can do" spirit of the Guard in exercises of this nature.

#### ANNUAL FIELD TRAINING

The annual field training period of 1963 was the most effective in many years. The enthusiasm and esprit de corps of personnel, the conduct of squad and platoon attack course training, the efficient and safe manner in which motor marches to and from training sites were made, the actual firing of HONEST JOHN rockets, the safety record at field training, and the outstanding training conducted by the State officer candidate schools, all indicate progress in this important aspect of training.

#### AVIATION TRAINING

Army National Guard aviation continues each year to show improvement. We have increased our qualified aviator strength more in the past 6 months than in any previous like period. Reorganization of the Army National Guard last spring, with the attendant increase in aviation unit authorizations, has opened new recruiting areas for these hard-skill specialists. The increased emphasis on the importance of aviation in the Active Army is being paralleled in the National Guard. To insure maximum training benefits from our increasing aviation assets, we have instituted new programs to include standardization of flying procedures, establishment of "frequency of flight" requirements, and the conduct of day-and-a-half or 2-day weekend training assemblies. To help in this program, we have been authorized additional supervised flying training periods to begin in fiscal year 1965. All of these steps have been designed to produce a significant increase in combat readiness while insuring maximum safety in the program. Initial results from those programs now in effect have been most favorable and point toward development of the best manned, best trained combat ready aviation units in the history of the Army National Guard.

During 1964, we will continue to strive in a forward thinking manner for new ways and means to insure a dynamic, well-planned, and challenging training program for the guardsmen involved. In my experience, and in talking with many enlisted guardsmen, I find that if a guardsman is sincerely interested and challenged by the training program, we will have a satisfied soldier and a sure-fire reenlistee. I can assure you that we will exert every means at our disposal to insure that the dollars spent for training will enhance increased mobilization preparedness, better combat effectiveness and provide an improved overall readiness posture. We no longer can think or talk in terms of months for postmobilization training or of lengthy preparation before deployment. We must think in terms of being ready now when establishing readiness objectives.

## LOGISTICS

## EQUIPMENT INVENTORY

We recently were furnished by the Department of Army a 5-year projection for the issue of major equipment items to the Army Guard. This forecast represents a significant improvement to our present equipment status and provides an outlook for training not heretofore possible. Some of the new items are the M-108 howitzer, the M-113 armored personnel carrier, the M-88 tank recovery vehicle, the M-14 rifle, and M-60 machinegun, as well as rotary wing aircraft. All items scheduled are necessary to meet minimum training requirements. Guardsmen have been and are being trained to operate and maintain these equipment items, including where necessary related signal and fire control material. These additional military occupational specialty skills are obtained by on-the-job training with their units and by attendance at Army service schools.

## EQUIPMENT MAINTENANCE

Cross-service agreements with Active Army and Reserves are indicative of the excellent support capabilities of the Army National Guard. These agreements, whereby equipment of other than Army National Guard units is maintained by National Guard technicians at National Guard maintenance facilities, are key factors in the support of home station training, active duty training, and mobilization readiness. At the present time States have entered into 18 separate agreements to provide local equipment maintenance where such need is indicated by reason of economy and good management practices.

The operation of the three transportation aircraft repair shops in California, Connecticut, and Missouri continues to prove most beneficial to the Active Army, Army Reserve, and the Army National Guard. The benefits accrue to the Active Army and Army Reserve because of the outstanding caliber of work performed on their aircraft by the full-time technician guardsmen working in these shops. Advantages derived from the operation of these shops by the Army National Guard are twofold. First of all they are accomplishing fourth echelon maintenance on National Guard aircraft and expediting the return of this equipment to the several States where it is needed to maintain the highest level of proficiency and training among Army National Guard aviators. Secondly, the full-time personnel in these shops, who are the nucleus of three Army aircraft heavy maintenance battalions, are gaining a broad base of experience in performing fourth echelon maintenance functions on aircraft and aircraft components. As a result of the experience, the mobilization readiness of the three battalions continues to rise.

## AIR DEFENSE

Army National Guard onsite air defense units provide the air defense of key metropolitan and industrial areas on a 24-hours-a-day, 365-days-a-year basis. They are currently in the process of converting from NIKE-AJAX to the more modern and lethal NIKE-HERCULES. This conversion program began in fiscal 1962 and will be completed in fiscal 1965.

Today, we provide over 30 percent of the continental United States (CONUS) Army air missile defense. The program total of 48 operational HERCULES batteries will be attained in fiscal year 1965, and will constitute approximately one-third of the CONUS Army Air missile defense.

In Hawaii, a unique situation exists in that the Hawaii Army National Guard provides the only Army complement of air defense of the island with six NIKE-HERCULES batteries. There are no Active Army air defense units in Hawaii.

Army National Guard onsite units have the same stringent mission requirements and inspections as their Active Army counterparts under the Commanding General, Army Air Defense Command.

We are proud of the accomplishments of our air defense units. They have justified the confidence placed in them by the Department of the Army. During fiscal year 1963, guard units in competition with Active Army units won both the Army air defense commander's missile firing trophies. These awards are based on scores achieved during live missile firings, with only a 48-hour notice to the batteries. The awards won were the Outstanding Firing Battery and the Outstanding Firing Battalion awards. Scores were 99.4 and 96.4 percent, respectively.

We, in the National Guard Bureau, consider these accomplishments as valid proof of the Guards' capability to assume operational missions in true Minuteman tradition.

#### BUDGET, 1965

I have briefly reviewed some of our major accomplishments in the Army National Guard and will now cover more specifically the basis for our fiscal year 1965 budget request. The new obligation authority requested, in the amount of \$274.5 million will support the pay and allowances, subsistence, clothing, and travel costs for the training of the Army National Guard at an average strength of 384,375 officers and men. Army Guardsmen will participate in 48 paid drills, except for 1,771 aviators who will be required to perform 72 drills, each of not less than 4 hours duration. In addition, 2 weeks of active duty for training will be performed by 321,702 guardsmen in the annual field training by units. Approximately 4,577 officers and men will attend Army service and area schools to receive training in career, branch, and specific skill requirements. Also provided for is the training with the Active Army of 82,900 new enlistees into the Army Guard for varying periods which will average 5.8 months of service.

#### STRENGTH

We closed fiscal year 1963 with 360,714 Army Guardsmen in State status as of June 30, 1963. This represented a loss of 44,627 from a beginning fiscal year 1963 strength of 405,341, including mobilized units on active duty on July 1, 1962. Since the start of fiscal year 1964, the States have overcome the trend of losses of fiscal year 1963 and our strength has increased steadily so that on December 31, 1963, it totaled 372,688. The fiscal year 1964 appropriation is programed within this budget request to support an ending strength on June 30, 1964, of 376,000. We are ahead of this program at this time, and if the present trend continues, we will end the current fiscal year with strength in excess of the 376,000.

The fiscal year 1964 appropriation provides for a beginning and ending strength of 375,500 and 384,400 respectively. Due to our 360,714 strength on July 1, 1963, and the projection of 376,000 for June 30, 1964, the fiscal year 1964 appropriation has been reprogrammed within the budget request to provide for the lesser strength with the savings being applied to reduce the supplemental amount now required to meet the October 1, 1963, military personnel pay increase.

Our maximum authorized strength is 400,000 as contained in the fiscal year 1964 appropriation act. For fiscal year 1965, the budget request supports a beginning strength of 376,000 and an ending strength of 395,000 for an average strength of 384,375. In fiscal year 1965, we are expecting to lose 95,000 Army Guardsmen and to gain 114,000 for a net gain of 19,000. Of the gains 86,400 will be enlisted without prior service.

#### SCHOOL TRAINING

During fiscal 1963, 9,412 guardsmen were enrolled in Army schools of which 7,302 attended service schools, such as the branch service schools, service colleges, specialist schools and separate school courses, and 2,110 attended Army Area schools. These are the same courses which Active Army personnel attend. They consisted primarily of basic branch and advanced branch training courses for officers, and specialized and technical courses for officer and enlisted men, to qualify them for their current military assignment and/or for promotion.

In fiscal year 1964, the school program will provide for the attendance of approximately 4,733 guardsmen supported within the amount of funds provided for in the President's fiscal year 1964 budget request, plus funds for the military pay increase costs.

The fiscal year 1964 school program has been restricted to support attendance of officers at basic branch courses, those officers whose branch of service has been changed by reason of reorganization, and those requiring advanced training for promotion. Enlisted personnel attendance has been limited to those which require qualification in critical military specialties such as radar mechanics. Army area school attendance in fiscal year 1964 has been limited to enlisted personnel attending NCO leadership courses.

For fiscal year 1965, the budget requests support for the attendance of 4,577 officers and enlisted men. Approximately 3,977 will attend Army service schools, the courses of which will be similar to those programed in fiscal year 1964. Army area school participation will be limited to 600 enlisted personnel attending NCO academies as in fiscal year 1964. The financial support for Army service and Army area schools is \$10 million for both fiscal year 1964 and fiscal year 1965.

#### UNIT AND INDIVIDUAL TRAINING

Armory drill and field training attendance continues at an excellent rate. For fiscal year 1964, the drill program provides attendance of 98 percent for officers and 92 percent for enlisted personnel in a schedule of 48 drills. The fiscal year 1965 budget requests supports the same rate of attendance as fiscal year 1964. Within the schedule of 48 drills, units will perform an average of 8 multiple drills, utilizing 16 paid drills. In fiscal year 1965, for the first time, 24 additional flying train-

ing assemblies are being programed for aviators to maintain flying proficiency. The field training program for fiscal year 1964, and the fiscal year 1965 budget request provide for officer and enlisted personnel attendance at 97 percent.

Some funding increases are requested in fiscal year 1965 over fiscal year 1964 for armory drill and field training. These are attributable to the fact that the average paid drill strength is 384,375 in fiscal year 1965, compared to 367,663 in fiscal year 1964, as well as to the recent military personnel pay increase for the greater strength.

The Reserve enlistment program supports the required active duty training with the Army for guardsmen who have enlisted in the Guard and have not had prior military service. The length of training the recruit receives is no longer a standard 6-month active duty training tour, but is dependent upon the military occupational specialty for which he enlisted. A tour of active duty training for Army Guard personnel may run as short as 4 months or a long as 12 months. For fiscal year 1965, the Army National Guard program provides for an input of 82,900 in the Reserve enlistment program. Approximately 12 percent of these recruits will average a tour of 5 months, 87 percent will attend a 6-month tour and 1 percent will average a tour of 7 months. In the overall, the average tour will be 5.8 months compared to the prior standard tour of 6 months for all recruits.

#### SUMMARY

In summary, the aftermath of the Berlin crisis left the Army National Guard in a declining strength position due to the extension of enlistments during, and the uncertainties involved in, the major reorganization which immediately followed that crisis. Due to the efforts by the States, the strength position has been reversed and now reflects substantial gains each month since last August. During the successful reorganization just completed, all of our division units were realigned to conform to the ROAD concept, and the entire Army Guard structure was brought into line with requirements for mobilization plans.

Due to the urgent requirement to obtain more training time with the same amount of funds, we are developing new concepts in an all-out effort to increase unit mobilization readiness. The Army Guard is participating in joint exercises with Active Forces, is planning field training at times other than during the summer, is training our units in the use of air transport by taking advantage of the Air National Guard transport capability, and is scheduling unit training as all day assemblies on weekends.

With the wonderful spirit of cooperation shown by the States and the active interest taken by them in resolving major problem areas, these new concepts are envisioned to the maximum extent possible within this budget as essential to the training of a combat ready Army National Guard.

This concludes my presentation in support of the "National Guard Personnel, Army," appropriation request. I shall be happy to answer any questions you may have.

Mr. SIKES. General Wilson, yours has been a stimulating report and one of the best I have heard.

General WILSON. Thank you, sir.

Mr. SIKES. We are discussing an estimate of \$274,500,000.

JUSTIFICATION OF THE ESTIMATE

I should like to insert at this point in the record, Mr. Clerk, pages 4 through 8, inclusive, of the justification.  
(The justifications follows:)

Fiscal year 1965 strength plan

	Aggregate			RFA Active duty, Regular Army	Paid drill
	Officers and warrant officers	Enlisted men	Total		
June 30-----	33,000	343,000	376,000	39,184	336,816
July-----	33,300	344,200	377,500	39,762	337,738
August-----	33,600	344,400	378,000	41,332	336,668
September-----	33,700	345,500	379,200	43,765	335,435
October-----	33,800	347,900	381,700	45,558	336,142
November-----	33,900	349,200	383,100	45,848	337,252
December-----	33,800	349,400	383,200	41,576	341,624
January-----	33,700	350,400	384,100	41,498	342,602
February-----	33,600	353,000	386,600	40,822	345,778
March-----	34,000	355,500	389,500	39,188	350,312
April-----	34,200	357,000	391,200	36,651	354,549
May-----	34,400	358,500	392,900	36,230	356,670
June-----	35,000	360,000	395,000	39,448	355,552
Average-----	33,833	350,542	384,375	40,962	343,413

National Guard personnel in paid status (exhibit 1)

	Pay groups	Paid drills	Paid days of active duty for training	Fiscal year 1963			Fiscal year 1964		Fiscal year 1965	
				Begin	Average	End	Average	End	Average	End
Drill pay status:										
Officers.....	} A	48	15	31,458	33,940	33,896	33,512	33,000	33,833	35,000
Enlisted.....				292,425	313,278	298,257	299,185	303,816	309,580	320,552
Subtotal:										
Officers.....	} B			31,458	33,940	33,896	33,512	33,000	33,833	35,000
Enlisted.....				292,425	313,278	298,257	299,185	303,816	309,580	320,552
Total.....				323,883	347,218	332,153	332,697	336,816	343,413	355,552
Officers.....	} F	0	90-180	37,087	25,507	28,561	34,966	39,184	40,962	39,448
Enlisted.....				37,087	25,507	28,561	34,966	39,184	40,962	39,448
Subtotal:										
Officers.....	} G			37,087	25,507	28,561	34,966	39,184	40,962	39,448
Enlisted.....				37,087	25,507	28,561	34,966	39,184	40,962	39,448
Total.....										
Other paid status:										
Subtotal:										
Officers.....	} H			31,458	33,940	33,896	33,512	33,000	33,833	35,000
Enlisted.....				329,512	338,785	326,818	334,151	343,000	350,542	360,000
Total.....				360,970	372,725	360,714	367,663	376,000	384,375	395,000

## Training programs

	Average strength	Federal status	School	Administratively excused	Strength participation	Attendance factors	
Field training:							
1st quarter:							
Enlisted.....	343,950	(40,010)	(424)	(10,000)	= 293,516	× 72% × 97% =	204,992
Officers.....	33,300		(459)		= 32,841	× 69% × 97% =	21,980
							226,972
4th quarter:							
Enlisted.....	359,250	(37,839)	(465)	(10,000)	= 310,946	× 28% × 97% =	84,453
Officers.....	34,700		(524)		= 34,176	× 31% × 97% =	10,277
							94,730
Total trainees.....							321,702
Officers.....							(32,257)
Enlisted.....							(289,445)
Armory drills:							
All units:							
Enlisted.....	350,542	(40,962)	(397)		= 309,183	× 92% =	284,448
Officers.....	33,833		(529)		= 33,304	× 98% =	32,638
Total trainees.....							317,086

## RFA training program

	Input	Graduates and losses	End of month	Man-months
Fiscal year 1964 carryover:				
January.....	7,800			
February.....	6,800			
March.....	5,300			
April.....	7,400			
May.....	6,800			
June.....	6,000		39,184	
Fiscal year 1965 input:				
July.....	8,200	7,622	39,762	39,473
August.....	8,200	6,630	41,332	40,547
September.....	8,000	5,567	43,765	42,549
October.....	9,100	7,307	45,558	44,661
November.....	7,000	6,710	45,848	45,703
December.....	2,000	6,272	41,576	43,712
January.....	8,100	8,178	41,498	41,537
February.....	7,500	8,176	40,822	41,160
March.....	6,500	8,134	39,188	40,005
April.....	6,300	8,837	36,651	37,919
May.....	6,000	6,421	36,230	36,441
June.....	6,000	2,782	39,448	37,839
Total.....	82,900			491,546
Man-years.....				40,962

## 7000 ARMY NATIONAL GUARD PERSONNEL

*Direct obligations*

BAA	Title	Actual, fiscal year 1963	Estimate	
			Fiscal year 1964	Fiscal year 1965
7010	Pay and allowances, active duty for training, officers.	\$18,517,917	\$20,047,000	\$22,161,000
7020	Pay and allowances, active duty for training, enlisted personnel.....	61,257,278	69,661,000	82,574,000
7030	Pay and allowances, inactive duty for training, officers.....	26,418,247	29,478,000	31,985,000
7040	Pay and allowances, inactive duty or training, enlisted personnel.....	77,091,657	88,757,000	89,430,000
7050	Individual clothing and uniform gratuities.....	12,076,802	13,337,000	14,446,000
7060	Subsistence in kind.....	13,469,114	18,828,000	21,479,000
7070	Travel, active duty for training, officers.....	1,064,442	930,000	818,000
7080	Travel, active duty for training, enlisted personnel.....	7,550,318	9,950,000	11,295,000
7090	Other costs relating to Army National Guard personnel.....	358,620	312,000	312,000
	Total direct obligations.....	217,810,395	251,300,000	274,500,000

## UNOBLIGATED BALANCE

Mr. SIKES. General Wilson, what is your unobligated balance?

General WILSON. Unobligated balance for 1964 as of November 30, 1963, sir?

Mr. SIKES. Yes.

General WILSON. In NGPA, out of the \$243.9 million for this year including reimbursements we have obligated \$106.4 million so that leaves us \$137.5 million. We are right on target.

Mr. SIKES. Do you anticipate that all of your funds will be utilized or will be obligated during the fiscal year?

General WILSON. Sir, the report—as you understood our strength ceiling, we were programed in the fiscal year 1964 budget for a beginning strength of 375,500 and an ending strength of 384,400.

The fact is that we were not at that level in the beginning. We lost strength during fiscal year 1963 and ended up June 30 with 360,714 people on board. The Department of the Army, in determining their best estimate, said we should reprogram from 360,714 to an end strength of 376,000 for fiscal year 1964. Therefore, there is some savings in that, but that is being applied to the pay raise.

## RECRUITMENT AND STRENGTH RATES

Mr. SIKES. Can you exceed those strength figures during fiscal year 1964?

General WILSON. There is no question in my mind, Mr. Sikes, that ever since August we have had a net gain. December is not usually a good month in recruiting, but we made a net gain in December of some 5,000 people. Actually, it was 4,904.

We feel that there is no question that we will reach 388,000 with a good possibility of going between 392,000 and 395,000, sir.

Mr. SIKES. It is the desire of Congress that 400,000 be achieved if possible, as you know, and the Congress has stated that if funds beyond those appropriated are needed because of additional strength in the Guard and Reserve components, that the Congress would provide the additional funds. You are familiar with that?

General WILSON. Completely. I am completely familiar with that, Mr. Sikes.

Mr. SIKES. Are there any limitations from any source which would prevent your achieving greater strength figures if you can do so?

General WILSON. No, sir; there is no limitation put on us for strength. The yearend position is 400,000, if we can reach it. There will be sufficient money in that which is appropriated, due to the lateness in the year and the understrength, to pay from the appropriation whatever end strength we can get. What it means is that the money earmarked as savings would be applied to the cost of the pay raise, sir.

Mr. SIKES. Are you receiving support from Army and DOD to achieve greater strength figures?

General WILSON. Yes, sir.

Mr. MAHON. There are no real limitations, I am sure, but you do have to measure up to the higher standards and qualifications that have been agreed upon?

General WILSON. There is no question, Mr. Chairman. We still have the provisions that every division maintain 90-percent MOS qualification, and other than overstrength caused by the reorganization, that we are not to be permitted to exceed the authorized strength of our mobilization entities and that recruiting standards of the Regular Army would apply.

Mr. SIKES. I assume that the National Guard welcomes those higher standards, does it not?

#### LIMITATION ON UNIT STRENGTH

General WILSON. The standards of the Regular Army are accepted, and we are recruiting people under those standards.

The 90-percent MOS qualification, we have always been for that. The "never exceeding the authorized strength within a unit" makes it kind of tough. When you have a ceiling and a floor at the same time, you can't manage to where you can always hit it exactly. You can't do it in the Active Army. You are always up and down a little bit. There is some flexibility.

The 10 percent that was discussed with the Army Reserve is applicable to the Army National Guard in its mobilization entity. Such as a battalion; its companies could vary. One could be up and one down, but at no time may they exceed—

Mr. SIKES. Is that 10-percent figure adequate for your purposes?

General WILSON. No, sir; that does not meet the requirement—that does not help maintain a level of 400,000 because the mobilization entity of this battalion cannot exceed by one man in strength. When your floor and the ceiling are the same, you can never reach it.

Mr. SIKES. What provisions would be more comfortable to you in this connection?

General WILSON. Some flexibility—as you know, for several years the Congress put in their "not less than an average of 400,000 strength." This did give us the flexibility so we could handle it. For 5 years we were able to maintain an average of—actually, it was 400,200 people, with that language and that strength, sir.

Mr. FORD. Did that 5-year directive from the Congress have the effect of negating this 10-percent limitation?

General WILSON. There was no such rule then, Mr. Ford. The only time that rule came in was last year when this was placed in. We have only had the flexibility during the past year, sir, for the individual companies.

Mr. FORD. Would such a provision, in your opinion, negate this 10-percent item?

General WILSON. No, sir. What we try to do is to hold all of our units within—in other words, we don't want a unit that is authorized, say, 70 percent to end up with 100 percent, and another unit authorized 70 percent to be down to 50 percent. We like to build the units up to the authorized strength and 10 percent does help. In some communities where you have two companies of one battalion, for example, one could be up four men and the other be down four men, but it does give us some flexibility, there.

If it is the desire of the Congress to maintain a 400,000 level, then, to me, there has to be some flexibility.

For example, in the 5 years where we maintained an average 400,200 level, we authorized the National Guard Bureau to over-program about 2 percent to the States, which was about 8,000 people, which could vary.

Mr. ANDREWS. What is the average strength of a National Guard company, General?

General WILSON. It varies, sir. Normally we talk about 100, in round figures.

#### COST OF MAINTAINING AVERAGE GUARD STRENGTH AT 400,000

Mr. SIKES. Do you consider that you could realistically achieve and maintain a strength of 400,000 during fiscal year 1965?

General WILSON. There is no question in my mind.

Mr. SIKES. Would you provide for the record a table showing the additional funds which would be required in all categories?

General WILSON. I would be glad to; yes, sir.

(The information requested follows:)

#### ESTIMATE OF COST TO MAINTAIN AN ARMY NATIONAL GUARD AVERAGE STRENGTH OF 400,000 IN FISCAL YEAR 1965

To maintain an Army National Guard average strength of 400,000 in fiscal year 1965, the estimated strengths are as follows: a beginning strength of 388,000 with a buildup to 406,000 during the third quarter and tapering off to an ending strength of 400,000. In addition the program provides for a Reserve enlistment program input of 82,900, the same as in the President's fiscal year 1965 budget request. The increase costs over the President's budget request are as follows:

	<i>In millions</i>
National Guard Personnel, Army.....	\$8. 7
Operation and maintenance, Army National Guard.....	. 2
Operation and maintenance, Army.....	1. 6

#### COMPLETION OF DIVISION REORGANIZATION

Mr. SIKES. You tell us that the reorganization is now complete?

General WILSON. That is correct. The division reorganization is. It is now complete, sir. It was completed last May, about a month ahead of schedule.

Mr. SIKES. Is there any reorganization still in process?

General WILSON. Yes, sir; we are now going through the reorganization of the nondivisional units. We have a four-phase program on that. Phase 1 is completed. We are working on phases 2, 3, and 4, and it will be completed by March 31, this year.

STATUS OF UNIT EQUIPMENT

Mr. SIKES. What is the status of your equipment? Are your units now fully equipped?

General WILSON. No, sir; we are not fully equipped. I would say the program we have now for equipment is the best we have ever had. We are actually getting brandnew M-113 personnel carriers. We are getting brandnew tank retrievers. We are getting new machineguns, right off the production line.

In fact, in 1964 and 1965, we should receive about \$52 million of brandnew equipment and some \$90 million worth of fallout equipment, sir.

Mr. SIKES. That means the status of modernization of your equipment will be approximately what, guardwise?

General WILSON. Do you mean percentagewise?

Mr. SIKES. Yes.

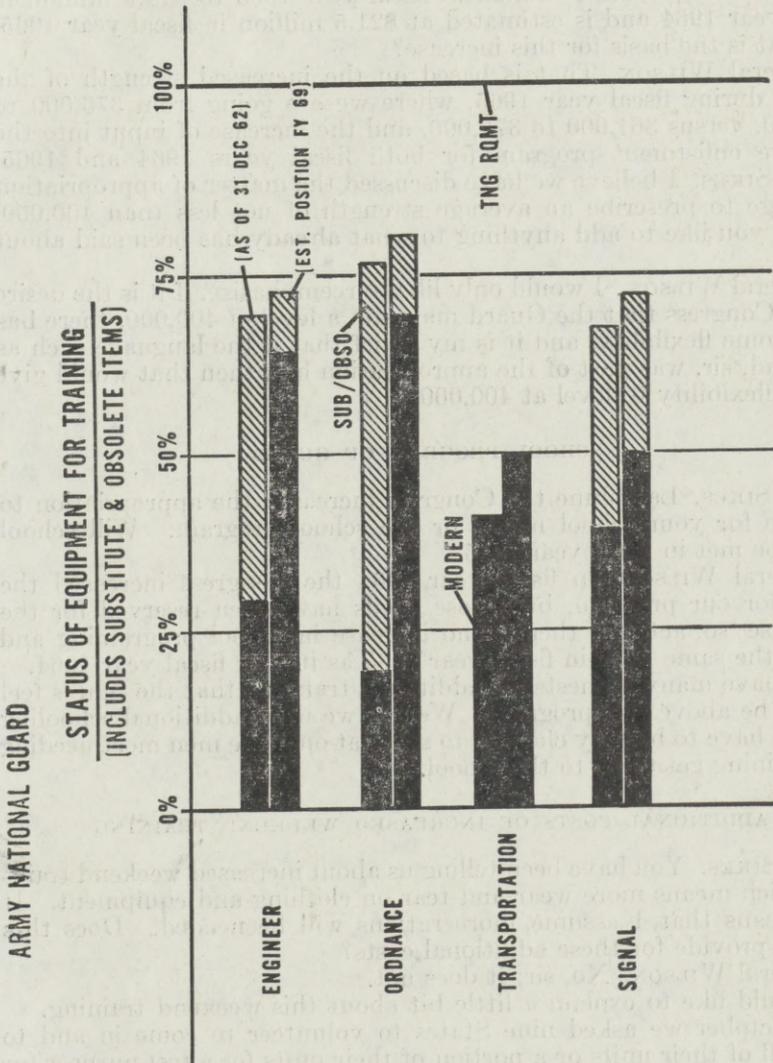
General WILSON. I don't have a figure on that.

Mr. SIKES. Could you produce something for that?

General WILSON. We can produce one for the record.

Mr. SIKES. All right.

(The information requested follows:)



This chart portrays the National Guard Bureau estimate of the equipment status at the end of Fiscal Year 1969 on the basis of receipt of items scheduled for issue to the Army Guard.

## COSTS OF SUBSISTENCE IN KIND

Mr. SIKES. Because of the recent military pay increase, we can understand increases in actual pay and allowances for both enlisted personnel and officers. However, although there are detailed tabulations with respect to the 1965 calculation, there does not appear to be a good, general justification for the item of "Subsistence in kind" which goes from \$13.5 million in fiscal year 1963 to \$18.9 million in fiscal year 1964 and is estimated at \$21.5 million in fiscal year 1965.

What is the basis for this increase?

General WILSON. That is based on the increased strength of the Guard during fiscal year 1965, where we are going from 376,000 to 395,000, versus 361,000 to 376,000, and the increase of input into the Reserve enlistment program for both fiscal years 1964 and 1965.

Mr. SIKES. I believe we have discussed the matter of appropriation language to prescribe an average strength of not less than 400,000. Would you like to add anything to what already has been said about that?

General WILSON. I would only like to reemphasize, if it is the desire of the Congress that the Guard maintain a level of 400,000, there has to be some flexibility, and it is my belief that if the language such as you read, sir, was part of the appropriation bill, then that would give us the flexibility to level at 400,000.

## SCHOOL PROGRAM OF GUARD

Mr. SIKES. Last June the Congress increased the appropriation to provide for your school needs, or the school program. Will school needs be met in fiscal year 1965?

General WILSON. In fiscal year 1964 the Congress increased the funds for our program, but those funds have been reserved for the pay raise; so, actually there is no increase in school programing and this is the same level in fiscal year 1965 as it is in fiscal year 1964.

We have many requests for additional training, that the States feel should be above this program. We feel we need additional schooling and we have to be very choosy to see that only the men most needing the training get to go to the school.

## ADDITIONAL COSTS OF INCREASED WEEKEND TRAINING

Mr. SIKES. You have been telling us about increased weekend training which means more wear and tear on clothing and equipment. It also means that, I assume, more rations will be needed. Does this budget provide for these additional costs?

General WILSON. No, sir; it does not.

I would like to explain a little bit about this weekend training.

In October we asked nine States to volunteer to come in and to place all of their units or a portion of their units for a test purpose for implementing instruction in what we call weekend training, or four drills on Saturday and Sunday.

This has been done in the Air Guard for about 10 years, and we feel this is one of the finest ways of increasing training that there is, without increasing cost. There are some increase costs that go along with it, because, if you have the people there 2 days, you have to

increase the subsistence that is allowed to them, where before we have only had 8 weekends, and this goes up to the full 48 drills on weekends. So the subsistence requirement, the clothing and another requirement is winter clothing, which comes in the O. & M. area, because people being on the outside, they must have additional winter clothing.

Mr. SIKES. Could you provide a listing for the record showing what these additional requirements should be?

General WILSON. I will be glad to, sir.  
(The information requested, follows:)

*Additional requirements for weekend training*

Program	Appropriation	Cost
Subsistence.....	NGP, A.....	\$2,687,000
Repair parts.....	O. & M., ARNG.....	2,300,000
Winter clothing items.....	O. & M., ARNG.....	6,400,000
Total.....		11,387,000

NEW ENLISTMENT PROCEDURES

Mr. SIKES. You mentioned new enlistment procedures there. Provide information for the record showing what you are doing in the way of new enlistment procedures.

General WILSON. I will be glad to.  
(The information requested follows:)

NEW ENLISTMENT PROCEDURES

Improved procedures implemented during fiscal years 1963-64 provided for: (1) flexible periods of enlistment, (2) simplified extensions of enlistments and reenlistments, (3) higher mental standards, (4) improved testing methods, (5) equalization of standards with USAR on enlistments of personnel with four or more dependents, and (6) effective guidance for determination of enlistment grades of obligor personnel and personnel with ROTC or academy service. While statistical data developed from current reports reflect overall program improvements, the separate effect of each of the new procedures upon personnel procurement cannot be determined.

STATE OCS SCHOOLS

Mr. SIKES. What is the progress and your reaction to the effectiveness of the State OCS schools?

General WILSON. Mr Sikes, that is the finest program we have for producing junior officers for the Army National Guard.

Mr. SIKES. Are these men recruited directly from the Guard units?

General WILSON. Yes, sir; they are recruited directly from the Guard units under our regulations. We have just made a change in our OCS program in the last year, in which we have put the school on what we call weekend training, where they train once a month on Saturday and Sunday.

They go to field training the first year, then they go on the weekend training for the next year, then they go to field training, again, at the school, the following year, and are then commissioned. This is all done under the auspices of Fort Benning, who writes the curriculum, does the testing and actually the checking of the examinations for us.

It is a school that is completely approved by the Department of the Army and one in which we get about 3,000 second lieutenants a year.

Mr. SIKES. I think it is a very fine program, and I want to congratulate you on this program.

Now, what percentage of your young men have an opportunity to participate or to compete?

General WILSON. Well, sir, we hope to build this up. As you know, they are very selective in the States, on selecting people to go to OCS. They take people who have shown leadership capability. We hope in the future to fill this program from about a 3,000 output to something over 6,000, which we would like to have.

Mr. SIKES. To me this is a very fine thing, indeed.

Now, we have had testimony here in the past few days about the shortage of junior officers in the Regular Army. Yet the Regular Army seems unable to recognize the fact that it could expand its own OCS program very materially if it chose to do so. It is getting actually a much lower number of OCS trainees from the entire Regular Army than you are getting from a much smaller number of National Guardsmen, and I think this is a tribute to the National Guard that recognizes there is this ability and takes advantage of the opportunity to train these young men for leadership.

General WILSON. As you know, this was first started in Massachusetts years ago, and we are also now getting some NCO schools in the States in a similar manner.

Mr. SIKES. Has this been in progress long enough for you to gage the caliber of these young men after they have been commissioned?

General WILSON. Yes, sir; they performed well in Berlin. During the Berlin crisis they performed well and they have performed well in every case. I have talked to many division commanders and they feel that the caliber of people they are getting from the OCS is meeting their requirements.

Mr. SIKES. Does the Regular Army have an opportunity to secure the services of these young men if they are short of officers?

General WILSON. Well, I don't know what the status of some of them is in going into the Active Army, but if they volunteer, I am sure there probably are some in the Active Army.

#### NCO TRAINING SCHOOLS

Mr. SIKES. Will you tell me something about your non-commission training schools?

General WILSON. In certain States we have a program similar to the OCS that has been set up by the States. There this is on a strictly voluntary basis. I remember very well visiting Rhode Island. They graduated some 80 in one class, which was fine. I gave the graduation address, and I have never seen a greater bunch of people.

General GREENLIEF. They are actually satellited on the OCS schools.

Mr. SIKES. Is this a general thing, or only in existence in a few States?

General WILSON. I would say it is about a third, but it is not as complete.

Mr. SIKES. Is it your intention to expand this?

General WILSON. We are encouraging the States to expand this for leadership training.

“IMMEDIATE” AND “REINFORCING” RESERVES

Mr. SIKES. I notice your reference in your statement to immediate Reserve, which composes 59 percent of the strength and reinforcing Reserve, which composes 41 percent of your strength. For the record, give us additional information on just what is meant by these terms and what units go into it.

General WILSON. We used to have priority 1, which was the Air Defense and roundout units; priority 2, which was the eight divisions, and priority 3 were the low priority units. The immediate Reserves are those units in priorities 1 and 2, and the reinforcing Reserves are those that are in priority 3 that was discussed with the committee before.

ACTIVE PARTICIPATION OF THE INDIVIDUAL

Mr. SIKES. It is a long, long way from the enthusiasm which obviously marks the work of your office here, to the end product in a National Guard armory in some local community. It is difficult to be sure that all of the things that you want to be done are being done in that local unit. For instance, one young man was saying to me—a member of a local unit in my State—“I like the Guard and I like to go to drill, but I wish we had something to do. I am tired of just sitting around and waiting for drill periods to be over.”

How can that be?

General WILSON. Mr. Sikes, in this new program of weekend training, the one that these nine States in the test program have just been in, they are at the end of their first quarter in this operation. To give you just the feeling of these people who are in it, what it has meant to them, I think will clear up just what we are talking about.

All States agreed that the concept permitted more complete and comprehensive presentation by instructors. In other words, they had a longer time to be able to give the total part of the program that they want.

It gave better continuity to the subject, because of the additional time. It increased the emphasis on team training, where they could actually use the equipment that is at the armory, over a weekend. It developed the leadership potential of the noncommissioned officers and the junior officers.

Mr. SIKES. I am not sure you are answering my question. How do you get down to this local unit to be sure the company commander is doing the things you want done?

General WILSON. We have what is known every year, Mr. Sikes, as an Army area conference, at which we bring the technicians together in this Army area and discuss all of these programs. Granted we don't have any way from the Guard Bureau of getting down to every unit, but we try to get to the commanders of those units in these meetings that we have.

Mr. SIKES. Someone does have a way to get to that commander and see what type of leadership he is providing and the type of training that is being carried on. Now, whose job is it to be sure that there is something for these young men to do?

General WILSON. This is the States' requirement because they are charged with the responsibility of training under the guidelines of the Department of the Army on that.

Mr. SIKES. You have the responsibility to see that they do that?

General WILSON. That is correct; yes, sir. We have Army advisers assigned with the battalion and so forth who check on the training to be sure that the units are following the training directive put out. This is done by the Active Army advisers, the unit commanders, the battalion commanders, and so forth, to check on their units.

Mr. WHITTEN. I would like to join with the gentleman from Florida in the statement that has been made with reference to you, General, and with regard to the National Guard generally.

We are very proud of the record that has been made.

General WILSON. Thank you, Mr. Whitten.

#### DRILL ATTENDANCE AND DISCIPLINARY RECORD

Mr. ANDREWS. General Wilson, what about your drill attendance record?

General WILSON. Our drill attendance record is the highest it has ever been. We are running about 98 percent for officers and about 92 percent for enlisted men.

Mr. ANDREWS. What about your disciplinary action against those who fail to live up to minimum requirements?

General WILSON. Normally that is taken care of by the unit commander and as you can see, the attendance is above the 85 percent required.

Mr. ANDREWS. What about your Armory program?

General WILSON. The Army construction program?

Mr. ANDREWS. Yes.

General WILSON. Sir, we have an obligation ceiling placed of \$10.5 million for this fiscal year. We have a pretty good program. Some States feel that it is not as fast as they would like to have it, but it is based on the amount of money that is appropriated for the program.

Mr. ANDREWS. Do you see any end in sight for the Army construction program?

General WILSON. I figured if we carried it on at about \$6 million a year, it would be about 25 years before we complete it.

#### MOBILIZATION TIME REQUIREMENT

Mr. ANDREWS. How long would it take one of your infantry divisions to be ready for action if mobilized and called into Federal service?

General WILSON. If we take a priority infantry division such as the 28th, from Pennsylvania, they are scheduled on a mobilization date which we are trying to get to, of 8 weeks.

Mr. ANDREWS. How about an armored division?

General WILSON. It has about the same mobilization requirement. This is what we are working toward.

Mr. ANDREWS. How many of your 17 infantry divisions would be ready for action in 8 weeks?

General WILSON. I think we will have to talk about the priority divisions, because they are the ones getting the equipment and

priority on training spaces and so forth. I would say we have four infantry and two armored in those that we are trying to get up to 8 weeks. The others have a longer period of mobilization. Twenty-four weeks, some of the others.

Mr. ANDREWS. What would be the longest period?

General WILSON. Twenty-four weeks.

Mr. ANDREWS. In other words, within a period of 24 weeks you could have all your 17 infantry and 6 armored divisions ready for action?

General WILSON. Provided the equipment and so forth was available to equip the units when they came on duty, sir.

Mr. ANDREWS. That is all.

Mr. SIKES. Mr. Flood.

#### PRIORITY DIVISIONS

Mr. FLOOD. I know, of course, that the 28th Pennsylvania is one of the priority units. For the record, would you list the other three infantry divisions and two armored divisions that you have in this high priority status?

General WILSON. We will put that in the record.  
(The information requested follows:)

Following is a list of the six highest priority divisions of the immediate Reserve:

- 26th Infantry Division, Massachusetts.
- 28th Infantry Division, Pennsylvania.
- 30th Infantry Division, North Carolina.
- 42d Infantry Division, New York.
- 30th Armored Division, Tennessee.
- 50th Armored Division, New Jersey.

#### EIGHT-INCH HOWITZERS IN GUARD ARTILLERY

Mr. FLOOD. How are the 8-inch howitzers coming into the artillery units of the Guard?

General GREENLIEF. Almost none programmed. It is very, very slow.

Mr. FLOOD. Why? You told me last year—last year I asked the same question and off the top of their head the boys seemed to think they would do pretty well this coming year. Now here we are in the following year and it is just as bad as it was. What is the trouble?

General GREENLIEF. It would be in the procurement of the howitzers for the Active Army and the subsequent fallouts for the Guards. There is a forecast for when we will receive them. I don't remember it at the moment. We can furnish that. I think it is about 3 years out.

Mr. FLOOD. I would like the record to show what the forecast is and I would also like the record to show why we have this delay.

(The information requested follows:)

It is expected that the highest priority National Guard units will receive the M-110 howitzer (8-inch howitzer, SP) beginning in fiscal year 1965. Receipts by the guard will be \_\_\_\_\_ by which time the National Guard elements of \_\_\_\_\_ are forecasted to be fully equipped.

The projection set forth above is based primarily on the programmed procurement \_\_\_\_\_ production in conjunction with planning for a hot base throughout the period, and to achieve maximum economy and standardization.

The schedule stated above is considered the best attainable within the overall procurement policies.

(Additional classified information was supplied the committee.)

Mr. FLOOD. Here a whole year has gone by and I am no better off with my 8-inch howitzers in the artillery guard than I was a year ago. There is something wrong. There is a bottleneck and I have never been able to find out what it is. People pass the buck all over the lot. This year I want to know what the trouble is, what the forecast is, why the forecast is so slow and why it can't be improved. I am fed up with it. This is the end of the line. Now I want to know. How is the discipline problem, General?

#### DISCIPLINE, HEALTH, AND SAFETY IN THE GUARD

General WILSON. Sir, I think the discipline is fine in the National Guard. I see very few people being ordered to 45 days' active duty for failing to attend drill. I see very few people being asked for priority induction which indicates to me, sir, that the discipline is good and that the people are doing their job in the units. Our percentage of attendance at drill is another indication that our morale and discipline is fine, sir.

Mr. FLOOD. How is the health?

General WILSON. The health is good.

Mr. FLOOD. After they are in?

General WILSON. Yes, sir. As you know, we go to the same standards as the Active Army on our physicals and so forth and we have found we are in good shape physically.

Mr. FLOOD. How about casualties during training?

General WILSON. I think we programed for—

General GREENLIEF. Our safety record was much better this year than it has been in the past.

Mr. FLOOD. How do you compare with the Army, over the same period of time, the same operation and the same schedule? Is the percentage higher than the Regulars among the soldiers?

General WILSON. I think it would run about the same, Mr. Flood.

Mr. FLOOD. Do you run regular periodic physicals of the Guard troops?

General WILSON. Yes, sir.

Mr. FLOOD. Who does it?

General WILSON. It is done by our own people or by contract, every 4 years.

#### WEATHER COVER FOR EQUIPMENT

Mr. FLOOD. Do you ask for, or do you get, and to what extent do you have cover from the weather for your hardware, your trucks, artillery, and general hardware? Is it parked out in the field?

General WILSON. We have very little cover for our vehicles. One of our problems is replacement of canvas for items sitting out in the motor pools.

Mr. FLOOD. This has bothered me for 15 years, and I don't seem to be able to get the guard interested. It seems to be low man on the totem pole, since you only get so much money. I guess that is the problem.

General WILSON. There is a priority basis on where it goes and the States and everybody would rather have the facilities necessary to train with before we got into covering up vehicles.

Mr. FLOOD. Now that we are—in the old days when we used to get a lot of cats and dogs from the Army and that is all, it was bad enough then, but now that we are getting first-run stuff out of the line and getting just as good equipment as the Regular Army is getting, I am becoming more seriously concerned about cover for this first-class stuff.

General WILSON. And so are the States, Mr. Flood. For the first time we are getting requests for some kind of austere type of cover.

Mr. ANDREWS. Does the Army have covers for their hardware?

General WILSON. In some places, I think, depending on the weather conditions.

Mr. ANDREWS. Are pieces of equipment just out in the open like I see your stuff around armories?

General WILSON. That is correct.

Mr. FLOOD. I am not talking about the Regular Army right now, I am talking about the Guard.

What are we going to do, just have another speech by Flood at a quarter of 12 today and a year from now, with the help of God and my constituents, I will make the same speech, and nobody will pay any attention?

General WILSON. I wouldn't guarantee any covers this year, based on the amount of construction money we have. In other words, the construction money we have is designated to try to provide a priority basis for what comes first, the chicken or the egg, and we feel we need the training areas for our units and our armories and so forth before we get into hard stands and cover for equipment. We can repaint and we can rechange the canvas.

Mr. FLOOD. Every time I drive by one of these armories and see that good-looking stuff out there in that snow, it just burns me up; year after year after year. And it is getting fancier all the time, and more sophisticated, and it just makes me unhappier.

General WILSON. If we could get the money we would love to go into a program of cover.

General GREENLIEF. We provide some motor storage space within armories, but it is not adequate.

#### AIR DEFENSE MISSILES

Mr. FLOOD. Are any NIKE-AJAX operational at all with you people?

General WILSON. By the end of this fiscal year we are all phased out. It will be HERCULES then.

Mr. FLOOD. Do you mean fiscal year 1964 or fiscal year 1965?

General WILSON. In fiscal year 1964, sir.

Mr. FLOOD. What do you hear about NIKE-HERCULES in the next 5 to 10 years?

General WILSON. They were included in the 5-year program, sir.

Mr. FLOOD. Will they just be obsolescent?

General GREENLIEF. Our program shows us being in it for the next 5 years.

Mr. FLOOD. You don't hear any scuttlebutt about it, do you?

General WILSON. No, sir.

General GREENLIEF. No, sir.

Mr. FLOOD. I have. I just wondered whether you heard.

General GREENLIEF. Not as it affects our program.

DIVISIONAL TRAINING TIME

Mr. FLOOD. On page 2 of this statement of yours—and O. Henry couldn't write a better one—I see this dramatic phrase in the middle of the page—among other things—you say, and I quote:

We must obtain maximum effectiveness from the available training time.

General WILSON. That is correct, sir.

Mr. FLOOD. That is a beautiful sentence. It couldn't be better worded and it couldn't mean more than it says and does—except when you take my high priority 28th Infantry Division, the best Infantry Division in the Guard, and you tell me that this is a State operation and you spend every other page, here, patting the States on the back, saying how cooperative are the States and what a great job they are doing, with you here, and that everything is hunkie-dorie. Let's be honest. Of course it just isn't so.

You take my 28th Division from its operational area in the States and you put them on wheels and you send them 300 miles down to Virginia and you bring them back, and I have only got 2 weeks to train these troops. And the big program you are talking about all morning is the importance of training—"We got to train these guys, yi, yi, yi."

If you can tell me how I can keep this 28th Division, high priority, the best division, when I have them in trucks for a 2-week period, half the time going to Virginia and half the time coming back, how am I going to train my infantry that way?

General WILSON. Sir, I would like to start out with, first—

Mr. FLOOD. All you're training is truckdrivers and transport people.

General WILSON. Normally it takes a unit to move into camp 1 day, whether it goes within its State or if it goes outside. We authorize in case of the 28th Division actually 2 additional days, 1 on the end and 1 on the beginning, so that the training time that they get where they are going is about the same, sir.

Mr. FLOOD. The training time they get where is about the same?

General WILSON. Let's take, for example, Pickett and Hill, with which you are completely familiar.

Mr. FLOOD. You take them. I don't want any part of them.

General WILSON. In other words, we are giving them—it takes 4 days travel time. Normally it would take 2 days, so they get an additional day on the end of each end, so the training time, once they get to the training site, is the same.

Mr. FLOOD. This isn't the way I read it.

General WILSON. This is the way they have been going down to Pickett-Hill, sir. We try to give them the same amount of training time, whether it is Pickett-Hill or Indiantown Gap Military Reservation, or wherever it is.

Mr. FLOOD. The thing that bothers me is this: Here you are, a fly boy, and you take over this job just 3 or 4 months ago—and we are old friends, but I have to tangle with you about this 28th Division training business. It is a shame. I was hoping McGowan would be back here. He is my pigeon.

Incidentally, I never thought I would find a Guard Chief more enthusiastic about the Guard than McGowan, and I took for granted you would be, and, of course, you are.

Now, do I go to the mat with you about this Indiantown Gap business at this point, or do you come back under O. & M.?

General WILSON. No, sir, we come back under O. & M. and as you know, right now there has been nothing settled, yet.

Mr. FLOOD. Then I am going to skip this until we get to O. & M., instead of talking about it, here.

I am so burned up about this it makes my moustache stand right up in the air, and I find out the guy who is responsible for it, the G-3 of the Army who gave birth to this screwy idea, is a sick officer. Well, that is too bad, because if he wasn't, he would be when I got through with him.

Now, I am in the position that I got to shoot at the wrong target. This fellow won't be here. That is too bad. Well, we will skip it now, until we get to O. & M., but I am going to go into it, because it is an outrage. It is wrecking the morale of my division. I've got the best infantry division in the Guard, and this is a terrible shame.

#### UNOBLIGATED BALANCES LAPSING AND TRANSFERRED, 1963

Mr. SIKES. Let me interrupt just one moment.

Mr. FORD—

Mr. FORD. Just how much obligated balance lapsed in your fiscal year 1963 account?

General GREENLIEF. We had a \$18.3 million transfer for the same reason the USAR gave, our declining strength. We had a remaining unobligated balance, which figure I don't have. We can provide that.

Mr. FORD. Can you give us a ball park figure, now, and correct it for the record?

Colonel UNDERWOOD. \$25.6 million.

Mr. FORD. In other words, that figure lapsed. Seventeen was transferred to the emergency account?

Colonel UNDERWOOD. \$18.3 million was transferred.

Mr. FORD. You transferred 18.3 to the emergency account and a figure approximating \$25 million lapsed?

General WILSON. That's right.

Mr. FORD. What are you asking for fiscal year 1964?

General WILSON. If we live within the budget, the budget ceiling of 376,000, that would mean this, there would be about \$8.5 million—

Mr. FORD. That would lapse?

General WILSON. No, it would all be used for the pay raise.

Mr. FORD. And there would be a supplement in addition?

General WILSON. It would take an \$8.5 million supplemental to pay the pay raise, because the pay raise—

Mr. FORD. You indicate you are going above the 376 figure?

General WILSON. That is correct, sir.

#### COST OF ANTICIPATED STRENGTH, EXCLUDING PAY RAISE

Mr. FORD. What do you forecast will be your end strength figure?

General WILSON. I am forecasting, sir, around 392,000; 388,000 is sure and 392,000 is a possibility.

Mr. FORD. If you go to 392, what will the obligation picture be?

General WILSON. If we go to 392,000, sir, we will have to have an increase in the amount of supplemental to pay the pay raise. Could I give you that for the record, because this is going to take phasing to see how much it would have to be.

Mr. FORD. If you go to 392,000, you won't have \$8 million to apply to the supplement.

General WILSON. No, sir, we will not, because that will eat up part of that.

Mr. FORD. Let's put in the estimate what your best estimate will be if you go to 392; how much you will have unobligated, if any, leaving out the supplement.

General WILSON. Very well, sir.

Mr. FORD. And I think, as I recall, Mr. Sikes has already asked for the figures for fiscal year 1965 if you go to 400.

General WILSON. Yes, sir.

(The information requested follows:)

The fiscal year 1964 NGPA estimated unobligated balance at the close of the fiscal year, assuming the attainment of an end strength of 392,000, is \$10.6 million. This does not take into consideration the military pay increased costs for the period October 1, 1963, to June 30, 1964, which is estimated at \$17.9 million.

Mr. FORD. As far as you are concerned, there is no directive, no limitation on going up to 400,000 in fiscal year 1964, if you could make it?

General WILSON. If we can make it; yes, sir.

Mr. FORD. That is all, Mr. Chairman.

Mr. LIPSCOMB. I have no questions at this point.

Mr. SIKES. Mr. Chairman.

#### ORGANIZATION OF NATIONAL GUARD BUREAU

Mr. MAHON. General, you are an Air Force officer and you are Chief of the Army National Guard. Now, General Greenlief is the Deputy, isn't he?

General WILSON. That is correct.

Mr. MAHON. Is he called Deputy?

General WILSON. Yes, sir.

Mr. MAHON. This is the position you formerly had?

General WILSON. That is correct.

Mr. MAHON. Isn't it a bit incongruous to have this sort of an organizational setup?

General WILSON. No, sir, I think it works very well, Mr. Chairman. It has proved very well—the Chief of the Guard Bureau, by law, is Chief for both the Army and Air.

I have a deputy, Greenlief and I have an officer who runs the Air section and the Army section. So actually there are four of us.

Mr. MAHON. Other officers actually do the operating; is that correct?

General WILSON. They do operating, and normally we spend our time—and I have found just about what I figured—that I don't have much more problems in the Army than I did in Air.

General GREENLIEF. Sir, I might add, formerly I was Assistant Chief of the National Guard Bureau for Army, while General Wilson

was the Deputy. From my standpoint, as an Army Guard officer, we are delighted to have a blue suiter as Chief, and it works fine.

Mr. MAHON. This will not militate against either service, in your opinion, this kind of a setup?

General GREENLIEF. We are rubbing a little green on him, and he is dipping me in a little blue.

Mr. MAHON. Thank you very much, and good luck to both of you.

TUESDAY, JANUARY 21, 1964.

MILITARY PERSONNEL, NAVY,  
RESERVE PERSONNEL, NAVY

WITNESSES

VICE ADM. W. R. SMEDBERG III, U.S. NAVY, DEPUTY CHIEF OF NAVAL OPERATIONS (PERSONNEL AND NAVAL RESERVE) AND CHIEF OF NAVAL PERSONNEL

REAR ADM. C. K. DUNCAN, U.S. NAVY, ASSISTANT CHIEF FOR PLANS, BUREAU OF NAVAL PERSONNEL

CAPT A. W. GARDES, U.S. NAVY, ASSISTANT CHIEF FOR FINANCE (COMPTROLLER), BUREAU OF NAVAL PERSONNEL

F. D. ROBENHYMER, HEAD, MILITARY PERSONNEL BUDGET BRANCH, BUREAU OF NAVAL PERSONNEL

REAR ADM. F. G. BENNETT, U.S. NAVY, ASSISTANT COMPTROLLER, DIRECTOR OF BUDGET AND REPORTS

MILITARY PERSONNEL, NAVY

*Object classification*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct obligations:			
11 Personnel compensation: Military.....	1,826,305	1,987,066	2,116,231
12 Personnel benefits.....	610,065	659,760	686,084
21 Travel and transportation of persons.....	65,548	63,942	71,175
22 Transportation of things.....	50,080	49,830	54,622
25 Other services.....	9,058	8,317	8,497
26 Supplies and materials.....	162,574	164,593	166,116
42 Insurance claims and indemnities.....	1,769	1,875	1,966
43 Interest and dividends.....	291	300	309
Total direct obligations.....	2,725,690	2,935,683	3,105,000
Reimbursable obligations:			
11 Personnel compensation: Military.....	1,670	1,816	1,816
12 Personnel benefits.....	901	984	984
21 Travel and transportation of persons.....	10	100	100
26 Supplies and materials.....	33,060	32,700	32,700
Total reimbursable obligations.....	35,641	35,600	35,600
Total obligations, Navy.....	2,761,331	2,971,283	3,140,600

## Program and financing

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
<b>Program by activities:</b>			
<b>Direct program:</b>			
1. Pay and allowances of officers.....	632,516	705,200	750,300
2. Pay and allowances of enlisted personnel.....	1,705,189	1,841,083	1,948,500
3. Pay and allowances of cadets and midshipmen.....	8,902	8,800	8,700
4. Subsistence of enlisted personnel.....	236,410	237,700	240,600
5. Permanent change of station travel.....	140,613	140,500	154,400
6. Other military personnel costs.....	2,060	2,400	2,500
Total direct obligations.....	2,725,690	2,935,683	3,105,000
<b>Reimbursable program:</b>			
1. Pay and allowances of officers.....	1,693	1,800	1,800
2. Pay and allowances of enlisted personnel.....	678	800	800
4. Subsistence of enlisted personnel.....	33,260	32,900	32,900
5. Permanent change of station travel.....	10	100	100
Total reimbursable obligations.....	35,641	35,600	35,600
Total obligations.....	2,761,331	2,971,283	3,140,600
<b>Financing:</b>			
Unobligated balance transferred from—			
“Defense stock fund” (76 Stat. 318, 77 Stat. 254, and annual appropriation act).....	-19,300	-30,000	-50,000
“Navy industrial fund” (77 Stat. 254).....		-90,000	
Advances and reimbursements from—			
Other accounts.....	-21,240	-22,000	-22,000
Non-Federal sources <sup>1</sup> .....	-14,401	-13,600	-13,600
Unobligated balance lapsing.....	692		
New obligational authority.....	2,707,081	2,815,683	3,055,000
<b>New obligational authority:</b>			
Appropriation.....	2,747,400	2,614,000	3,055,000
Transferred from “Military personnel, Army” (10 U.S.C. 126).....		683	
Transferred to—			
“Emergency fund, Defense” (76 Stat. 334).....	-13,642		
“Family housing, Defense” (76 Stat. 237).....	-25,335		
“Trust Territory of the Pacific Islands, Office of the Territories” (31 U.S.C. 581c(b)).....	-160		
“Military personnel, Air Force” (5 U.S.C. 172f(a)).....	-1,182		
Appropriation (adjusted).....	2,707,081	2,614,683	3,055,000
Proposed supplemental due to Uniformed Services Pay Act of 1963.....		201,000	

<sup>1</sup> Reimbursements from non-Federal sources are derived from sale of meals and clothing to service members (5 U.S.C. 171m-1, 172d, 172d-1; 10 U.S.C. 6086-7).

## RESERVE PERSONNEL, NAVY

## Object classification

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
<b>Direct obligations:</b>			
11 Personnel compensation: Military.....	62,775	76,182	79,469
12 Personnel benefits.....	5,724	6,581	6,408
21 Travel and transportation of persons.....	7,660	8,245	8,616
26 Supplies and materials.....	3,880	3,992	4,607
42 Insurance claims and indemnities.....	75	100	100
Total direct obligations.....	80,114	95,100	99,200
<b>Reimbursable obligations:</b>			
11 Personnel compensation: Military.....	4	10	10
Total obligations.....	80,118	95,110	99,210

## Program and financing

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Program by activities:			
Direct program:			
1. Reserve component personnel.....	73,867	88,384	92,400
2. Reserve officer candidates.....	6,247	6,716	6,800
Total direct obligations.....	80,114	95,100	99,200
Reimbursable program: 1. Reserve component personnel.....	4	10	10
Total obligations.....	80,118	95,110	99,210
Financing:			
Advances and reimbursements from non-Federal sources	(-)	-10	-10
Unobligated balance lapsing.....	686		
New obligational authority.....	80,800	95,100	99,200
New obligational authority:			
Appropriation.....	85,600	92,300	99,200
Transferred to "Emergency fund, Defense" (76 Stat. 334)	(-)		
Appropriation (adjusted).....	80,800	92,300	99,200
Proposed supplemental due to Uniformed Services		2,800	
Pay Act of 1963.....			

Mr. MAHON. We are now in the midst of our hearings on military personnel. This afternoon we shall discuss the requirements of the Navy.

We are pleased to have you here again, Admiral Smedberg, to talk to us about your problems. The record will show the others who have accompanied you to the hearing.

I believe you have an opening statement.

Admiral SMEDBERG. I do, Mr. Chairman.

Mr. MAHON. Will you proceed?

## GENERAL STATEMENT

Admiral SMEDBERG. Mr. Chairman, members of the committee, this is the fourth time within as many years that I have had the honor, as Chief of Naval Personnel and Deputy Chief of Naval Operations for Personnel and Naval Reserve, to present to you the requirements for the military personnel appropriations of the Navy. As you know, we break these appropriations into two categories: "Military personnel, Navy," which we call MPN, and "Reserve personnel, Navy," or RPN. Each category includes pay and allowances, clothing, subsistence, and travel for the appropriate segment of the Navy. In addition the MPN includes the cost of dependent travel, and the RPN includes the Naval ROTC program. The estimates presented for these appropriations are based upon projections for Navy program objectives and policies approved by the Secretary of Defense, the Secretary of the Navy, and the Chief of Naval Operations. As in previous years, I shall treat each of the two appropriations separately, beginning with "Military personnel, Navy."

## MILITARY PERSONNEL, NAVY

For fiscal 1965 we plan to have an average active duty Navy strength of 673,657, composed of 77,259 officers, 591,922 enlisted personnel,

and 4,476 cadets and midshipmen. The end strength planned for June 30, 1965, is 677,896. This figure was determined by the Office of the Secretary of Defense, as was the ratio for officer strength and the total number of petty officers authorized. The funding requirements to support this program are estimated to be \$3,105 million. We are requesting an appropriation of \$3,055 million of new obligational authority and, in addition, transfer authority of \$50 million from other accounts.

#### INCREASE

The increase of \$125 million or 4 percent over the \$2,980 million estimated as financing requirements for the current year is primarily for the recent military pay raise and for the slight increase in strength. This budget does not include funds for the military pay increase which the administration plans to present as part of its proposed legislation during this year. As a procedural matter, this will be taken care of separately.

#### MANNING LEVEL AND DISTRIBUTION OF PERSONNEL

While the estimate provides for an increase in strength for 1965, no improvement in the overall percent of wartime manning of the Navy will be possible. In fact, we will experience a very slight reduction in this area. This is primarily caused by the fact that our new ships and aircraft, with their highly complex technical equipment, require more people than their predecessors. As you know, each POLARIS submarine has two complete crews assigned at a 100 percent of wartime manning, plus an additional 12 percent for training of crews of new POLARIS submarines soon to be commissioned. In addition to these increased requirements to keep abreast of rapidly advancing technology, the demands for personnel for special task forces, Department of Defense Agencies, and so forth, continue. The average percent of wartime manning for fiscal 1965 will be about 84 percent, as compared with 85 percent in 1964. It will vary, however, between individual units and activities from a maximum of 100 percent for nuclear submarines to a significantly lower figure for older ships and shore activities.

In 1965 the distribution of military manpower will maintain approximately the same relative proportions as in fiscal year 1964. Sixty-two percent will be distributed to operating forces; 19 percent will be in education and training; 12 percent will be assigned to support activities of the shore establishments; 6 percent will be transients, patients, and prisoners; and 1 percent will be assigned to joint staffs and other similar billets.

#### RETENTION OF PERSONNEL

The maintenance of a strong force composed of well-trained personnel highly motivated toward a long-term naval career, continues to be our primary concern. During the past few years, training costs have grown steadily. Technological advances necessitate longer training courses and require more intelligent students. As a result, it becomes increasingly more important and more difficult for the Navy to recruit high quality personnel and subsequently to motivate them to remain in the Navy for a career. The character of the Navy has

changed greatly toward considerable sophistication of skills and away from the general duty or semiskilled ratings. As an example of this; in 1949 less than 5 percent of the men in the Navy were in the electronics ratings. In 1963 almost 12 percent of all active duty men were in the electronics field. For every technician in the Navy in 1949 we have almost four today. This growth will continue. These men, after training, are valuable not only to the Navy but to industry as well. Comparatively low pay, long working hours, and considerable family separation all work against the Navy in competing with industry for this talent. We must retain highly trained personnel in order to assure immediate readiness, attain increased operational efficiency, and reduce training costs. The Navy strives to create a challenging atmosphere in which personnel may pursue a career of their choosing with the confidence that their goals in life may be realized through effective, loyal service. Nevertheless, as mentioned previously, many factors continue to exert an adverse influence, and, consequently, we are not keeping the people we need. Personnel in the critical ratings, such as electronic technicians, sonarmen, radiomen, and radarmen, are not being retained in anywhere near adequate numbers. We are short some 33,000 petty officers in highly skilled technical fields. This shortage has increased 10 percent in the past year. The overall first term reenlistment rate continues at about 25 percent; however, the rate varies from a low of 14 percent for radarmen to an average of 36 percent in the nontechnical ratings.

#### MOVEMENT OF PERSONNEL

Travel funds are required for permanent changes of station incident to acquisition of new personnel; separation of personnel (and the replacement of those separated with personnel of comparable qualifications); essential reassignment upon acquisition of new qualifications (as evidenced by promotion or advancement in rating); assignment for education and training; rotation to shore duty for morale purposes; and transfer for administrative purposes such as hospitalization.

#### RESERVE PERSONNEL, NAVY

The funds requested for fiscal year 1965 for this appropriation total \$99,200,000. This amount will provide for an average of 125,300 personnel in the drill pay program. In addition, it provides for training tours for personnel in non-drill-pay status performing 2 weeks' active duty for training with pay, and certain essential school training.

The estimate also provides for an average of 10,767 students enrolled in the NROTC program and for 796 students under instruction during the summer in the Reserve officer candidate (ROC) program.

#### DRILL PAY PROGRAM

The drill pay program of the Ready Reserve is our principal source of manpower trained in units, crews, and squadrons, immediately available to man ships and aircraft and to augment the operating forces of the Navy. The recall of reservists during the Berlin crisis which I alluded to last year, and the Cuban matter, had an adverse effect on the strength of our paid drilling units. As a result of lessons

learned during these events we have instituted and intensified recruiting efforts aimed at both new enlistments and reaffiliation of personnel returning from active duty tours. This, coupled with a more vigorous and challenging training program, is providing the desired results. Our drill pay strength has been increasing substantially for the past 18 months. Accordingly, programed beginning strength of 126,000 for fiscal year 1965 should be reached.

#### TRAINING PROGRAM

The backbone of the training program in the Reserves continues to be the regularly scheduled drills conducted in training centers, air stations, on board ships, and the annual active duty training tours. Because of the many advances made in weaponry and the attendant requirement for better trained and experienced personnel, we are continuing our emphasis in the specialized training area to further improve our mobilization capabilities. This training is given to new enlistees and prior service personnel to qualify and reorient these personnel in the operation and maintenance of current weapon systems.

Our program provides for additional periods of drill training for the antisubmarine warfare component and for other selected units in our aviation program. The introduction of high performance aircraft and related equipment to the Reserve program has made it essential that additional training be made available since the desired levels of safety, combat capability, and readiness cannot be achieved under the presently authorized 48 drills a year.

#### CATEGORY D TRAINING

The program for annual tours of 2 weeks' duration for personnel now drilling in a nonpay capacity provides for 8,500 in fiscal year 1965 (8,000 officer; 500 enlisted). It is estimated that this quota will enable our officer personnel in a non-drill-pay status to participate in approximately one training tour every 3 years.

#### OFFICER CANDIDATE PROGRAMS

The Naval Reserve Officers' Training Corps and the Reserve officer candidate programs are maintained to augment the output of the Naval Academy in meeting the continuing need for newly commissioned officers. The Regular students of the Naval Reserve Officers' Training Corps are a major source of officers for the active-duty forces of the Navy and the Marine Corps. When commissioned, they are obligated to serve at least 4 years on active duty. The contract students of the corps are obligated to serve not less than 3 years on active duty after commissioning, and then remain in the Naval Reserve for at least 3 years more. The Reserve officer candidate program—college students trained during the summer vacation—provides officers with a 3-year active-duty obligation and supplements the input of new officers into the Naval Reserve.

From all of these sources it is expected that, during fiscal year 1965, 1,142 will be commissioned as Regular Navy or Marine Corps officers and 1,138 will be commissioned as Reserve officers in the Navy or Marine Corps.

This concludes the highlights of our requirements for the two "Military personnel" appropriations for the Regular Navy and the Naval

Reserve. The funding requested is predicated on a sound plan tailored carefully to our minimum requirements.

Thank you, gentlemen, for the courteous consideration I have received from the chairman and all members of this committee during the 4 years I have been privileged to appear before you.

This I think will be my final appearance.

Mr. MAHON. It has been very helpful to the committee to have had you before us through the years. You have done a good job for the Navy and the country. We are always pleased to have you.

Mr. SIKES. May I add my personal commendation to your own statement. We have been privileged to have Admiral Smedberg appear before us during the years. He has done an outstanding job for his country and the Navy. It has been a privilege to hear you and work with you.

### JUSTIFICATION OF ESTIMATES

Mr. MAHON. We will insert at the appropriate place in the record pages 3, 4, 12, 20, 38, 43, 50, and 83 of the justifications. We shall also insert pages 2 through 28 of the justifications for "Reserve personnel, Navy."

(The justification pages referred to follow:)

#### MILITARY PERSONNEL, NAVY

##### Summary of obligations

[In thousands]

Budget activity No.	Budget activity	1963 actual	1964 estimate	1965 estimate	Difference, 1965 compared with 1964
1	Pay and allowances of officers.....	\$632,516	\$717,900	\$750,300	+\$32,400
2	Pay and allowances of enlisted personnel.....	1,705,189	1,864,083	1,948,500	+84,417
3	Pay and allowances of cadets and midshipmen.....	8,902	8,800	8,700	-100
4	Subsistence of enlisted personnel.....	236,410	237,700	240,600	+2,900
5	Permanent change of station travel.....	140,613	148,800	154,400	+5,600
6	Other military personnel costs.....	2,060	2,400	2,500	+100
	Total direct obligations in budget document.....	2,725,690	2,979,683	3,105,000	+125,317
	Appropriated.....		(2,734,683)		
	Proposed supplemental.....		(245,000)		

##### Budget activity 1. Pay and allowances of officers

[In thousands]

Project	Title	1963 actual	1964 estimate	1965 estimate
1A	Basic pay.....	\$429,086	\$497,734	\$526,165
1B	Incentive pay for hazardous duty.....	53,528	55,806	56,918
1C	Special pay.....	10,466	11,734	12,212
1D	Basic allowances for quarters.....	69,700	77,412	76,457
1E	Basic allowance for subsistence.....	42,430	43,413	44,390
1F	Station allowances overseas.....	2,610	2,398	2,444
1G	Uniform allowances.....	1,559	1,718	1,761
1H	Separation payments.....	11,990	12,537	14,745
1I	Social security tax, employer's contribution.....	11,147	13,268	12,653
1J	Family separation allowance.....		1,880	2,555
	Total.....	632,516	717,900	750,300

## Officer personnel plan, average strength, fiscal year 1965

[Begin 76,446; end 77,348; average 77,259]

Commissioned officers	Line	Medical Corps	Dental Corps	Supply Corps	Civil Engineer Corps	Chaplain Corps	Medical Service Corps	Nurse Corps	Total	Percentage distribution
Fleet Admirals.....	1								1	} 0.41
Admirals.....	9							9		
Vice Admirals.....	35							35		
Rear Admiral—Upper Half.....	91	8	3	9	1	2		114		
Rear Admiral—Lower Half.....	131	9	2	11	6			159		
Captains.....	2,953	397	413	317	124	67	48	4	4,323	5.71
Commanders.....	6,227	165	146	720	236	198	167	106	7,965	10.51
Lieutenant Commanders.....	8,345	761	261	750	244	357	273	833	11,824	15.59
Lieutenants.....	16,350	2,243	927	1,412	337	268	373	460	22,370	29.51
Lieutenant Junior Grade.....	13,807			1,083	335	30	257	213	15,725	20.75
Ensigns.....	11,162			1,090	377		111	537	13,277	17.52
Total.....	59,111	3,583	1,752	5,392	1,660	922	1,229	2,153	75,802	100.00
Warrent officers:										
W-4.....	732			125	10		87		954	65.47
W-3.....	292			31	24		23		370	25.40
W-2.....	86			20	9		18		133	9.13
Total.....	1,110			176	43		128		1,457	100.00

## Budget activity 2. Pay and allowances of enlisted personnel

[In thousands]

Project	Title	1963 actual	1964 estimate	1965 estimate
2A	Basic pay.....	\$1,174,126	\$1,288,735	\$1,346,203
2B	Incentive pay for hazardous duty.....	27,538	34,044	36,817
2C	Special pay.....	43,133	43,241	43,418
2D	Proficiency pay.....	26,693	27,517	24,100
2E	Reenlistment bonus.....	35,956	35,704	43,317
2F	Basic allowance for quarters.....	254,794	274,381	278,822
2G	Station allowances overseas.....	3,516	3,058	3,127
2H	Clothing allowances.....	58,441	57,698	61,114
2I	Separation payments.....	41,363	42,672	48,556
2J	Social security tax, employer's contribution.....	39,629	46,604	48,625
2K	Family separation allowance.....		10,321	14,401
2L	Saved pay.....		108	
	Total.....	1,705,189	1,864,083	1,948,500

## Budget activity 3. Pay and allowances of cadets and midshipmen

[In thousands]

Project	Title	1963 actual	1964 estimate	1965 estimate
3A	Aviation cadets.....	\$1,711	\$1,600	\$1,540
3B	Midshipmen.....	7,191	7,200	7,160
	Total.....	8,902	8,800	8,700

## Budget activity 4. Subsistence of enlisted personnel

[In thousands]

Project	Title	1963 actual	1964 estimate	1965 estimate
4A	Basic allowance for subsistence.....	\$78,574	\$78,332	\$79,185
4B	Subsistence in kind.....	157,836	159,368	161,415
	Total.....	236,410	237,700	240,600

*Budget activity 5. Permanent change of station travel*

[In thousands]

Project	Title	1963 actual	1964 estimate	1965 estimate
5A	Accession travel.....	\$19,623	\$21,164	\$23,254
5B	Training travel.....	20,272	22,835	23,530
5C	Operational travel between duty stations.....	33,099	36,845	36,733
5D	Rotational travel to and from overseas.....	39,391	40,366	40,256
5E	Separation travel.....	25,644	23,240	25,969
5F	Travel of organized units.....	2,584	4,350	4,658
	Total.....	140,613	148,800	154,400

*Budget activity 6. Other military personnel costs*

[In thousands]

Project	Title	1963 actual	1964 estimate	1965 estimate
6A	Apprehension of military deserters, absentees, and escaped military prisoners.....		\$225	\$225
6B	Interest on enlisted personnel deposits.....	\$291	300	309
6C	Death gratuities.....	1,769	1,875	1,966
	Total.....	2,060	2,400	2,500

RESERVE PERSONNEL, NAVY  
*Reserve personnel in pay status*

Officer or enlisted	Pay group	Paid drills	Paid days of active duty for training	Fiscal year 1963			Fiscal year 1964		Fiscal year 1965	
				Begin	Average	End	Average	End	Average	End
Paid drill training:										
Officers.....	A	48	15	20,761	21,090	22,059	22,369	21,889	22,459	
Enlisted.....	B	24	15	80,001	95,247	90,691	100,998	100,486	100,094	
Officers.....	F	0	90-180	2,605	2,653	1,927	1,765	1,788	1,765	
Enlisted.....				39	53	53	34	53	34	
Enlisted.....				662	682	578	814	1,432	1,628	
Subtotal:										
Officers.....				23,366	23,743	23,986	24,134	23,827	24,224	
Enlisted.....				88,583	95,868	97,262	101,866	101,973	101,776	
Total.....				111,217	119,611	121,248	126,000	125,800	126,000	
Paid active duty training only:										
Officers.....	D	0	15	7,099	8,760	8,000	8,000	8,000	8,000	
Enlisted.....	E	0	30	394	352	2,000	2,000	2,000	500	
Enlisted.....					406	649	100	100	100	
Subtotal:										
Officers.....				7,099	8,760	8,000	8,000	8,000	8,000	
Enlisted.....				800	1,001	2,100	2,100	2,100	600	
Total.....				7,899	9,761	10,100	10,100	8,600	8,600	
Total paid status:										
Officers.....				29,733	32,126	31,986	32,134	31,827	32,224	
Enlisted.....				89,353	91,609	96,869	103,966	102,573	102,376	
Total.....				119,116	123,735	129,372	136,100	133,900	134,600	

## Summary of Reserve officer candidate strength

[Average numbers]

	1963 actual	1964 estimate	1965 estimate	Difference, 1965 com- pared with 1964
NROTC regular students.....	5,422	5,524	5,503	-21
NROTC contract students.....	5,045	5,286	5,264	-22
Reserve officer candidates.....	646	647	761	+114
OC(W) college juniors.....	30	10	35	+25
Total.....	11,143	11,467	11,563	+96

## Summary of obligations

[In thousands]

Budget account No.	Budget activity	1963 actual	1964 estimate	1965 estimate	Difference, 1965 com- pared with 1964
1	Reserve component personnel.....	\$73,867	\$88,384	\$92,400	+\$4,016
2	Reserve officer candidates.....	6,247	6,716	6,800	+84
	Total direct obligations.....	80,114	95,100	99,200	+4,100

## BUDGET ACTIVITY 1

## Reserve component personnel

[In thousands]

1965 estimate.....	\$92,400
1964 estimate.....	88,384
1963 actual.....	73,867

## Purpose and scope of work

Budget activity 1 provides for the personnel costs of inactive naval reservists on active duty for training and on inactive duty training as authorized by law. These costs include: Pay and allowances; procurement of individual clothing; subsistence; travel for training duty; and other costs including death gratuities, disability benefits, and hospitalization.

## Report on program administration

An intensive recruiting effort was implemented during fiscal year 1963 in an effort to increase drill pay strength. As a result, the number of personnel in drill pay programs increased from a low of 108,702 in July 1962 to 119,611 as of June 30, 1963. This recruiting effort is continuing to assure that the planned program strength is maintained.

## Major program and funding considerations in 1965

Personnel plans for the Naval Reserve provide for an average membership of 125,300 personnel in the drill pay program. Also included are 8,600 training duty tours with pay for personnel in nondrill pay status. In addition, provision is made for 2,520-officer and 9,995-enlisted school and special tours. Of this number, 8,450 tours are for accelerated recruit and class A school training. The planned enlistments in the 6-month training program has been increased to 3,300 in fiscal year 1965 to provide for vitally needed maintenance and aircrew personnel in the aviation program.

The estimate also provides for continuation of the program for 12 additional drill periods for personnel in the surface ASW component to improve the readiness of this vital component and for 12 and 36 additional drills for personnel in selected aviation squadrons to attain the desired levels of safety, combat capability, and readiness. The program to provide these additional drills was approved for fiscal year 1964.

The projects included in this activity are:

*Pay and allowances, active duty for training, officers (1A)*

[In thousands]

1965 estimate.....	\$14,625
1964 estimate.....	14,515
1963 actual.....	13,109

This project provides for pay and allowances for officers of the Naval Reserve performing active duty for training.

Training duty of 2 weeks duration is provided for 22,195 officers in drill pay status and for 8,000 officers in nondrill pay status. Training duty for various periods of time is provided for 1,060 officers participating in designated school programs and for 1,460 officers performing training duty in connection with special programs. The rates of pay and allowances are fixed by applicable provisions of law.

*Summary of costs and personnel trained*

[Dollar amounts in thousands]

No.	Subproject	1963 actual		1964 estimate		1965 estimate	
		Number	Amount	Number	Amount	Number	Amount
1A(1)	Annual tours, pay group A.....	19,976	\$7,330	21,225	\$8,701	20,770	\$8,555
1A(2)	Annual tours, pay group B.....	1,733	635	1,595	643	1,425	584
1A(4)	Annual tours, pay group D.....	8,760	3,576	8,000	3,302	8,000	3,367
1A(7)	School tours.....	958	475	1,155	876	1,060	829
1A(8)	Special tours.....	1,922	1,093	1,215	993	1,460	1,290
	Total 1A.....	33,349	13,109	33,190	14,515	32,715	14,625

*Detail of personnel: School tours*

[Supplement to table above]

	1963, actual	1964, estimate	1965, estimate
Surface, submarine, and special:			
Antisubmarine warfare tactical school, 22 days.....	50	50	50
Naval chaplains' indoctrination program, 65 days.....	30	30	30
Naval clinical clerkship program, 65 days.....	350	350	350
Basic sonar training, 15 days.....	10	10	10
Submarine training, 65 days.....	20	20	20
Total.....	460	460	460
Aviation:			
Antisubmarine warfare training, 15 days.....	410	600	500
Helicopter instruction flight, 15 days.....	0	10	10
Helicopter pilot qualification course, 77 days.....	12	15	15
Instrument flight instruction, 15 days.....	36	45	50
MAT S Navigational school, 15 days.....	40	25	25
Total.....	498	695	600
Total 1A(7).....	958	1,155	1,060

## Detail of personnel; School tours, fiscal year 1965

[Supplement to table on p. 164]

## UNIT MEMBERS

Category	Total personnel	Average length of course	Total man-days	Average daily rate	Total cost
1. Original specialist qualifications as an officer:					
(a) Branch qualifications:					
Chaplain indoctrination.....	30	65	1,950	\$19.90	\$38,796
Clinical clerkship.....	350	65	22,750	15.53	353,412
(b) Pilot or navigation qualification:					
Helicopter instrument.....	10	15	150	30.28	4,542
Helicopter pilot.....	15	77	1,155	30.14	34,814
Instrument flight instruction.....	50	15	750	41.25	30,940
Navigational school.....	25	15	375	36.59	13,721
2. Refresher and proficiency training:					
ASW training.....	50	22	1,100	29.10	32,009
Basic sonar.....	10	15	150	24.61	3,691
Submarine training.....	20	65	1,300	36.91	47,981
ASW training, aviation.....	500	15	7,500	35.86	268,918
Total.....	1,060		37,180		828,824

## Detail of personnel: Special tours

[Supplement to table on p. 164]

	1963 actual	1964 estimate	1965 estimate
Surface, submarine, and special:			
Afloat training duty, 33 days.....	10	10	10
Naval Reserve policy boards, 15 days.....	80	80	80
Naval Reserve selection boards, 15 days.....	175	175	175
PCO/PXO indoctrination course, 65 days.....	0	0	40
Recruit instruction, 85 days.....	0	0	30
ROC program (instructors and administrators), 70 days.....	65	65	65
Training duty without pay (annual), 15 days.....	(1,000)	(1,000)	(1,000)
Total.....	330	330	400
Aviation:			
Accelerated training (instructors), 33 days.....	0	25	35
Accelerated training (instructors), 98 days.....	0	10	25
Antisubmarine warfare training (fleet), 15 days.....	310	450	375
Antisubmarine training for air intelligence, 15 days.....	0	0	75
Transitional training in new type aircraft, 15 days.....	624	300	400
Commanding officer indoctrination, 7 days.....	265	100	150
Jet refresher, 5 days.....	393	0	0
Total.....	1,592	885	1,060
Total 1A(8).....	1,922	1,215	1,460

## Pay and allowances, active duty for training, enlisted personnel (1B)

[In thousands of dollars]

1965 estimate.....	\$14,104
1964 estimate.....	12,658
1963 actual.....	9,782

This project provides for pay and allowances for enlisted personnel performing active duty training.

Training duty of 2 weeks' duration is provided for 88,315 enlisted personnel in drill pay status and 500 enlisted personnel in nondrill pay status. Training duty for various periods of time is provided for 9,275 enlisted personnel participating in designated school programs and for 720 enlisted personnel performing training duty in connection with special programs, primarily in accelerated recruit and rate training and in antisubmarine training. Training periods of 30 days' duration have been provided for 100 enlisted personnel who will be

unable to fulfill their Ready Reserve obligation through drill attendance. Initial tours of 6 months' duration have been provided for an average of 1,432 enlisted men. The 30-day and the 6 months' training programs are in accordance with the Reserve Forces Act of 1955. The rates of pay and allowances are fixed by applicable provisions of law.

*Summary of costs and personnel trained*

[Dollar amounts in thousands]

Number	Subproject	1963 actual		1964 estimate		1965 estimate	
		Number	Amount	Number	Amount	Number	Amount
1B(1)	Annual tours, pay group A----	78,999	\$7,534	84,880	\$9,181	88,270	\$9,339
1B(2)	Annual tours, pay group B----	19	2	45	8	45	7
1B(4)	Annual tours, pay group D----	352	56	2,000	284	500	70
1B(5)	Annual tours, pay group E----	649	78	100	18	100	19
1B(6)	Initial tours, pay group F----	662	841	578	678	1,432	1,639
1B(7)	School tours-----	4,405	1,123	7,775	2,279	9,275	2,626
1B(8)	Special tours-----	345	150	510	210	720	404
	Total 1B-----	85,431	9,782	95,888	12,658	100,342	14,104

*Detail of personnel: School tours*

[Supplement to table above]

	1963 actual	1964 estimate	1965 estimate
Surface, submarine, and special:			
Accelerated class A program, 98 days-----	1,895	2,650	2,650
Accelerated recruit program, 75 days-----	1,680	2,300	2,300
Mine warfare, 65 days-----	25	25	25
Submarine program, 33 days-----	100	100	100
Submarine program, 65 days-----	205	200	200
Total-----	3,905	5,275	5,275
Aviation:			
Accelerated recruit program, 33 days-----	0	1,000	1,000
Accelerated recruit program, 75 days-----	0	500	1,000
Accelerated rate training, 33 days-----	0	500	1,000
Accelerated rate training, 75 days-----	0	0	500
Antisubmarine warfare training, 15 days-----	500	500	500
Total-----	500	2,500	4,000
Total 1B(7)-----	4,405	7,775	9,275

*Detail of personnel: School tours, fiscal year 1965*

[Supplement to table above]

UNIT MEMBERS

Category	Total personnel	Average length of course	Total man-days	Average daily rate	Total cost
1. Enlisted qualification for rate assignment:					
(a) Critical skills:					
Accelerated class A-----	2,650	98	259,700	\$5.02	\$1,302,569
Accelerated recruit-----	2,300	75	172,500	2.74	473,208
Mine warfare-----	25	65	1,625	8.50	13,815
Submarine training-----	100	33	3,300	5.01	16,543
Do-----	200	65	13,000	5.26	68,439
Accelerated recruit aviation-----	1,000	75	75,000	2.74	205,197
Do-----	1,000	33	33,000	2.75	90,854
Accelerated rate-----	1,000	33	33,000	4.97	163,928
Do-----	500	75	37,500	5.82	185,581
Antisubmarine warfare training-----	500	15	7,500	14.13	106,026
Total-----	9,275		636,125		2,626,160

## Detail of personnel: Special tours

[Supplement to table on p. 166]

	1963 actual	1964 estimate	1965 estimate
Surface, submarine, and special:			
Afloat training duty, 33 days.....	70	70	70
Recruit instructors, 87 days.....	0	0	90
Training duty without pay (annual), 15 days.....	(125)	(125)	(125)
Total.....	70	70	160
Aviation:			
Accelerated training (instructors and administrators), 33 days.....	0	95	165
Accelerated training (instructors and administrators), 98 days.....	0	45	95
Antisubmarine training (fleet), 15 days.....	175	200	200
Transitional training, 15 days.....	100	100	100
Total.....	275	440	560
Total 1B(8).....	345	510	720

## Pay and allowances, inactive duty training, officers (1C)

[In thousands]

1965 estimate.....	\$26,331
1964 estimate.....	25,635
1963 actual.....	19,939

This project provides for drill pay for officers of the Naval Reserve assigned to or associated with drilling units and for those officers performing appropriate duties in a drill pay status. Commanding officers required to perform additional and more responsible functions in connection with the administration of their units are entitled to command pay when their duties are satisfactorily performed.

Personnel enrolled in the drill pay units are required to perform drills at the rate of 24 or 48 drills per year as authorized. In addition, personnel in the surface units of the ASW component and in selected aviation groups are authorized to participate in additional drill periods. Rates of pay for members of the Naval Reserve participating in inactive duty training, including satisfactory performance of command and administrative duties in connection with such training, are fixed by applicable provisions of law.

## Summary of costs and personnel trained

[Dollar amounts in thousands]

Number	Subproject	1963 actual		1964 estimate		1965 estimate	
		Number	Amount	Number	Amount	Number	Amount
1C(1)	Inactive duty drills, pay group	19,954	\$18,074	21,200	\$22,125	20,750	\$22,972
	A.						
	Additional drills.....		400		2,281		2,136
	Command pay.....	(1,580)	293	(1,550)	289	(1,550)	286
1C(2)	Inactive duty drills, pay group	2,500	1,158	1,845	932	1,670	926
	B.						
	Command pay.....	(120)	14	(100)	8	(100)	8
	Total 1C.....	22,454	19,939	23,045	25,635	22,420	26,331

## Pay and allowances, inactive duty training, enlisted personnel (1D)

[In thousands]

1965 estimate.....	\$25,829
1964 estimate.....	24,902
1963 actual.....	21,056

This project provides for drill pay for enlisted members of the Naval Reserve assigned to or associated with drilling units and for those members performing appropriate duties in a drill pay status.

Personnel enrolled in drill pay units are required to perform drills at the rate of 48 or 24 drills per year as authorized. In addition, personnel in the surface units of the ASW component and in selected aviation groups are authorized to participate in additional drill periods. Rates of pay for members of the Naval Reserve participating in inactive duty training are fixed by applicable provisions of law.

*Summary of costs and personnel trained*

[Dollar amounts in thousands]

Number	Subproject	1963 actual		1964 estimate		1965 estimate	
		Number	Amount	Number	Amount	Number	Amount
1D(1)	Inactive duty drills, pay group A.	75,202	\$20,848	80,825	\$24,005	84,050	\$24,895
	Additional drills.....		200		887		924
1D(2)	Inactive duty drills, pay group B	40	8	50	10	50	10
	Total 1D.....	75,242	21,056	80,875	24,902	84,100	25,829

*Individual clothing and uniform gratuities (1-E)*

[In thousands]

1965 estimate.....	\$1,661
1964 estimate.....	1,340
1963 actual.....	1,275

This project provides for the payment of uniform gratuities to officers of the Inactive Naval Reserve who qualify under the provisions of law. Initial \$200 uniform gratuities are provided for newly commissioned officers upon completion of 14 days of active duty for training or after performance of 14 periods of inactive duty training in the Ready Reserve. Reserve officers who enter on active duty for training for periods of more than 90 days duration are entitled to a sum of \$100 as reimbursement for additional uniforms and equipment required on such duty. Qualification for \$50 quadrennial gratuities is based on eligibility established through periods combining inactive and active duty for training. This project also includes initial clothing monetary allowances, maintenance clothing allowances, and clothing issues in kind to enlisted personnel assigned to or associated with pay units of the Naval Reserve program in a drill pay status. Payment of initial, additional, and quadrennial uniform gratuities to officers, payment of initial and maintenance clothing monetary allowances, and the furnishing of clothing to enlisted personnel are authorized by law.

*Summary of costs*

[Dollar amounts in thousands]

Number	Subproject	1964 actual	1964 estimate	1965 estimate
1E(1)	Uniform gratuities, officers.....	\$200	\$391	\$391
1E(2)	Individual clothing, enlisted.....	1,075	949	1,270
	Total.....	1,275	1,340	1,661

*Subsistence in kind (1-F)*

[In thousands]

1965 estimate.....	\$2,364
1964 estimate.....	2,098
1963 actual.....	1,784

This project provides for the furnishing of rations to Reserve enlisted personnel while on active duty for training. In addition, provision is made for the furnishing of meals to enlisted personnel performing periods of inactive duty training totaling 8 hours or more in any 1 calendar day. Existing law requires that enlisted personnel on active duty for training shall be subsisted in kind or furnished a cash allowance in lieu thereof and that enlisted personnel performing inactive duty training for 8 hours or more in any 1 calendar day may be furnished rations.

## Summary of costs and number of personnel

[Dollar amounts in thousands]

Number	Subproject	1963 actual		1964 estimate		1965 estimate	
		Number	Amount	Number	Amount	Number	Amount
1F(1)	Annual tours, pay group A.....	78,999	\$1,274	84,880	\$1,445	88,270	\$1,417
1F(2)	Annual tours, pay group B.....	19	1	45	1	45	1
1F(4)	Annual tours, pay group D.....	352	4	2,000	25	500	6
1F(5)	Annual tours, pay group E.....	649	16	100	3	100	3
1F(6)	Initial tours, pay group F.....	662	204	578	187	1,432	433
1F(7)	School tours.....	4,405	276	7,775	424	9,275	480
1F(8)	Special tours.....	345	9	510	13	720	24
	Total 1F.....	85,431	1,784	95,888	2,098	100,342	2,364

## Detail of personnel: School tours, fiscal year 1965

[Supplement to table above]

## UNIT MEMBERS

Category	Total personnel	Average length of course	Total man-days	Average daily rate	Total cost
1. Enlisted qualification for rate assignment:					
(a) Critical skills:					
Accelerated class A.....	2,650	88	233,200	\$0.840	\$195,888
Accelerated recruit.....	2,300	68	156,400	.840	131,376
Mine warfare.....	25	58	1,450	.840	1,218
Submarine training.....	100	28	2,800	.840	2,352
Do.....	200	58	11,600	.881	10,223
Accelerated recruit/aviation.....	1,000	68	68,000	.840	57,120
Do.....	1,000	28	28,000	.840	23,520
Accelerated rate.....	1,000	28	28,000	.840	23,520
Do.....	500	68	34,000	.840	28,560
ASW training.....	500	14	7,000	.840	5,880
Total.....	9,275		570,450		479,657

## Travel, active duty for training, officers (I-G)

[In thousands]

1965 estimate.....	\$1,816
1964 estimate.....	1,844
1963 actual.....	1,920

This project provides for cost of travel of Naval Reserve officer personnel participating in Naval Reserve training programs. Active duty for training is performed on vessels and at appropriate shore activities, and round-trip travel is provided to personnel between their homes and points of training duty.

## Summary of costs and personnel traveled

[Dollar amounts in thousands]

Number	Subproject	1963 actual		1964 estimate		1965 estimate	
		Number	Amount	Number	Amount	Number	Amount
1G(1)	Annual tours, pay group A.....	19,976	\$1,019	21,225	\$1,082	20,770	\$1,060
1G(2)	Annual tours, pay group B.....	1,733	100	1,595	93	1,425	85
1G(4)	Annual tours, pay group D.....	8,760	527	8,000	482	8,000	482
1G(7)	School tours.....	958	92	1,155	88	1,060	81
1G(8)	Special tours.....	1,922	182	1,215	99	1,460	108
	Total 1G.....	33,349	1,920	33,190	1,844	32,715	1,816

## Detail of personnel: School tours, fiscal year 1965

[Supplement to table on p. 169]

## UNIT MEMBERS

Category	Total personnel	Average rate	Total cost
1 Original specialist qualifications as an officer:			
(a) Branch qualifications:			
Chaplain indoctrination.....	30	\$77	\$2,310
Clinical clerkship.....	350	77	26,950
(b) Pilot or navigation qualification:			
Helicopter instrument.....	10	76	760
Helicopter pilot.....	15	76	1,140
Instrument flight instruction.....	50	76	3,800
Navigational school.....	25	76	1,900
2. Refresher and proficiency training:			
ASW training.....	50	77	3,850
Basic sonar.....	10	77	770
Submarine training.....	20	77	1,540
ASW training, aviation.....	500	76	38,000
Total.....	1,060		81,020

## Travel, active duty for training, enlisted personnel (1-H)

[In thousands]

1965 estimate.....	\$5,570
1964 estimate.....	5,292
1963 actual.....	4,927

This project provides for cost of travel of Naval Reserve enlisted personnel participating in Naval Reserve training programs. Active duty for training is performed on vessels and at appropriate shore activities, and round-trip travel is provided for personnel between their homes and the points of training duty.

## Summary of costs and personnel traveled

[Dollar amounts in thousands]

Number	Subproject	1963 actual		1964 estimate		1965 estimate	
		Number	Amount	Number	Amount	Number	Amount
1H(1)	Annual tours, pay group A.....	78,999	\$4,270	84,880	\$4,572	88,270	\$4,755
1H(2)	Annual tours, pay group B.....	19	1	45	2	45	2
1H(4)	Annual tours, pay group D.....	352	20	2,000	111	500	28
1H(5)	Annual tours, pay group E.....	649	36	100	6	100	5
1H(6)	Initial tours, pay group F.....	662	73	578	84	1,432	167
1H(7)	School tours.....	4,405	345	7,775	483	9,275	561
1H(8)	Special tours.....	345	182	510	34	720	52
	Total 1H.....	85,431	4,927	95,888	5,292	100,342	5,570

## Detail of personnel, school tours, fiscal year 1965

[Supplement to table on p. 170]

## UNIT MEMBERS

Category	Total personnel	Average rate	Total cost
1. Enlisted qualification for rate assignment:			
(a) Critical skills:			
Accelerated class A.....	2,650	\$67	\$177,550
Accelerated recruit.....	2,300	67	154,100
Mine warfare.....	25	67	1,675
Submarine training.....	100	67	6,700
Submarine training.....	200	67	13,400
Accelerated recruit/aviation.....	1,000	52	52,000
Accelerated recruit/aviation.....	1,000	52	52,000
Accelerated rate.....	1,000	52	52,000
Accelerated rate.....	500	52	26,000
ASW training.....	500	52	26,000
Total.....	9,275		561,425

## Other costs (II)

[In thousands]

1965 estimate.....	\$100
1964 estimate.....	100
1963 actual.....	87.5

This project provides for death benefits for beneficiaries of personnel who die while undergoing training and for disability benefits for personnel who suffer injury while engaged in active duty for training or inactive duty training. Disability benefits include pay and allowances, rations furnished hospitalized personnel, and travel expenses of personnel upon discharge from hospitalization. The benefits estimated under this project are prescribed in 10 U.S.C. 6086 and 6148

## Summary of costs

[Dollar amounts in thousands]

Number	Subproject	1963 actual	1964 estimate	1965 estimate
II(1)	Death gratuities, officers.....	\$15	\$25	\$25
II(2)	Death gratuities, enlisted personnel.....	14	25	25
II(3)	Disability and hospitalization benefits, officers.....	26	25	25
II(4)	Disability and hospitalization benefits, enlisted personnel.....	20	25	25
	Total II.....	75	100	100

## BUDGET ACTIVITY 2

## Reserve officer candidates

[In thousands]

1965 estimate.....	\$6,800
1964 estimate.....	6,716
1963 actual.....	6,247

## Purpose and scope of work

Budget activity 2 provides for the costs of Reserve officer candidates as authorized by law. These costs include: active duty pay, travel, and subsistence in kind for NROTC, ROC, and OC(WAVE) college junior students participating in summer training programs; retainer pay for NROTC regular students; procurement of individual clothing; commutation in lieu of subsistence for NROTC contract students; and travel to school and upon disenrollment for NROTC regular students.

*Report on program administration*

During fiscal year 1963, 969 regular and 768 contract NROTC students, 172 ROC students and 21 OC(WAVE) college junior students were commissioned as Regular or Reserve officers for career or short-term service with the Regular Navy, the Marine Corps and their Reserve components.

*Major program and funding considerations in 1965*

The estimate of \$6,800,000 provides for the following: retainer pay for 5,503 NROTC regular students; commutation in lieu of subsistence for 1,660 NROTC contract students; pay and allowances, clothing, subsistence, and travel during summer training for 4,445 NROTC regular students, 1,249 NROTC contract students, 761 ROC students, and 35 OC(WAVE) college junior students.

The projects included this activity are:

*Pay and allowances (2A)*

[In thousands]

1965 estimate .....	\$4,352
1964 estimate .....	4,396
1963 actual .....	4,221

This project provides for pay and allowances for participants in the NROTC (both regular and contract students), the ROC, and the OC(WAVE) college junior programs. The rates of pay and allowances are fixed by applicable provisions of law.

*Summary of costs and personnel trained*

[Dollar amounts in thousands]

Base pay and allowances	1963 actual		1964 estimate		1965 estimate	
	Number	Amount	Number	Amount	Number	Amount
NROTC Regular program:						
Retainer pay .....	5,392	\$2,698	5,524	\$2,762	5,503	\$2,752
Active duty pay .....	3,719	746	4,045	793	4,445	721
NROTC contract program: Active duty						
pay .....	1,234	166	1,182	149	1,249	178
ROC active duty pay .....	646	165	647	185	761	252
OC(W) college juniors .....	30	5	10	4	35	6
NROTC junior college program: Active						
duty pay .....	17	3	10	2		
Commutation in lieu of subsistence:						
NROTC contract program .....	1,724	438	1,876	501	1,660	443
Total 2A .....	12,762	4,221	13,294	4,396	13,653	4,352

*Individual clothing (2B)*

[In thousands]

1965 estimate .....	\$909
1964 estimate .....	888
1963 actual .....	922

This project provides for issues of clothing in kind to Reserve officer candidates. Estimates for necessary alteration and renovation of uniforms are included. Uniforms are required to be worn during periods of active duty and on certain prescribed occasions, such as classes, drills, and ceremonies. The issues provided for in the estimate are authorized by applicable provisions of law.

## Summary of costs and personnel trained

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Number	Amount	Number	Amount	Number	Amount
NROTC regular program:						
Initial issue.....	1,824	\$301	1,400	\$230	1,400	\$230
Organizational issue.....	3,719	194	4,045	180	4,445	197
NROTC contract program:						
Initial issue.....	2,113	349	2,500	412	2,500	412
Organizational issue.....	1,530	68	1,182	52	1,249	55
ROC: Organizational issue.....	646	9	647	13	761	14
OC(W) college juniors: Organizational issue.....	30	1	10	1	35	1
Total 2B.....	9,862	922	9,784	888	10,390	909

## Subsistence in kind (2C)

[In thousands]

1965 estimate.....	\$315
1964 estimate.....	323
1963 actual.....	291

This project provides for subsistence in general messes (ashore and afloat) for regular and contract NROTC students participating in summer training and for subsistence in general messes ashore for ROC and OC(WAVE) college junior students participating in summer training programs. Subsistence furnished officers candidates is authorized by applicable provisions of law.

## Summary of costs and personnel trained

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Number	Amount	Number	Amount	Number	Amount
NROTC regular program.....	3,719	\$200	4,045	\$218	4,445	\$196
NROTC contract program.....	1,234	61	1,182	69	1,249	76
ROC program.....	646	29	647	35	761	41
OC(W) college juniors.....	30	1	10	1	35	2
Total 2C.....	5,629	291	5,884	323	6,490	315

## Travel (2D)

[In thousands]

1965 estimate.....	\$1,224
1964 estimate.....	1,109
1963 actual.....	813

This project provides for initial travel to colleges or universities by NROTC regular students and for their travel upon discharge, and also for travel of NROTC students (regular and contract), ROC, and OC(WAVE) college junior students under orders to perform summer training. Initial travel, travel upon discharge, and travel under orders are authorized by law.

## Summary of costs and personnel trained

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Number	Amount	Number	Amount	Number	Amount
NROTC regular program:						
Initial travel.....	1,725	\$69	1,700	\$68	1,700	\$68
Discharge travel.....	325	13	499	20	486	19
Active Duty travel.....	3,719	483	4,045	852	4,445	952
NROTC contract program.....	1,234	113	1,182	95	1,249	93
NROTC junior college program.....	17	1	10	1		
ROC program.....	646	132	647	71	761	90
OC(W) college juniors.....	30	2	10	2	35	2
Total 2D.....	7,696	813	8,093	1,109	8,676	1,224

## SHORTAGE OF SKILLED PETTY OFFICERS

Mr. MAHON. On page 4 of your statement, you say:

We are short 33,000 petty officers in highly skilled, technical fields.

Then you say:

This shortage has increased 10 percent in the past year.

It seems to me if this statement is correct, and I assume it is, one must agree that a shortage of 33,000 petty officers in highly skilled, technical fields is a tremendous disadvantage to the Navy.

Admiral SMEDBERG. That is correct, sir.

Mr. MAHON. What is the magnitude of this loss?

Admiral SMEDBERG. To give you an idea, we have authorized 323,000 petty officers in the Navy. This is 33,000 of 323,000. The difficulty is, this is in the critical ratings. We have no shortages in the other than critical ratings.

Mr. OSTERTAG. Admiral, I want to develop a clearer picture in regard to petty officers.

In your statement you indicate that a shortage of 33,000 petty officers exists. How many thousand petty officers do you have in the Navy?

Admiral SMEDBERG. 323,000.

Mr. OSTERTAG. That constitutes about a 10-percent shortage?

Admiral SMEDBERG. Yes.

Mr. OSTERTAG. At the same time, you say that has been increased 10 percent in the past year?

Admiral SMEDBERG. The two, 10 percent, are coincidence.

Mr. OSTERTAG. Is it 10 percent of 10 percent?

Admiral SMEDBERG. No. The shortage is 10 percent greater this year than it was last year. Last year the shortage was not quite 10 percent of our total petty officers. In other words, we have not corrected the situation yet. We have not stopped the downturn.

Mr. MAHON. Is it of real importance to the Navy?

Admiral SMEDBERG. It is of tremendous importance to the Navy.

Mr. MAHON. In what way?

Point out an example where the Navy suffers from a lack of these men.

Admiral SMEDBERG. I think the best example I could use just occurred to me as you were asking the question.

A young lieutenant has just left my office. He was one of my administrative assistants. He went to be an executive officer of a brandnew destroyer escort. I think that ship rates about eight rated electronic technicians. He told me to my horror he had one rated electronic technician in the ship. That is the kind of shortage I am talking about.

Mr. ANDREWS. Do you not have men elsewhere you could assign to the ship?

Admiral SMEDBERG. Not in excess, sir. We have 100 percent of those men in each of the POLARIS submarines.

Mr. ANDREWS. You have to keep them there?

Admiral SMEDBERG. Yes, sir. Also in many other places, in our guided missile ships and all our missile installations and our schools. At Dam Neck and Mare Island, Calif., we have our most highly trained electronic technicians as instructors of the many thousands of new recruits that go through each year. This is a very serious shortage.

Mr. MAHON. Could this young lieutenant fight his ship very effectively with only one rated electronics man when he needs eight?

Admiral SMEDBERG. Knowing that young lieutenant, I am sure he could. He assured me that his strikers, the young men who have been to school but have not been rated but are training and learning, are working like the devil under the supervision of this one excellent instructor on ship, and he says he will make it somehow. I believe it.

We will give him a little extra attention because he is shorter than most of our ships. This is the worst shortage I have heard of.

Mr. MAHON. That is an example of a deficiency in rated electronics personnel in a destroyer.

Admiral SMEDBERG. A destroyer escort.

Mr. MAHON. This is a very impressive example you have given us. Can you think of others?

Admiral SMEDBERG. I can give you some figures here to show you the sort of thing I am talking about.

In the old submarines, the conventional submarines, the ones we have today which are not nuclear powered, 79 percent of the people on board are petty officers. In the new submarines, 90 percent of all the crew have to be petty officers. That requirement has built up faster than we have been able to build up the petty officers to meet the requirement.

In the old destroyers—and I am talking about the 2,200-ton World War II destroyer—37 percent of the crew were petty officers, today the new destroyers have to have 55 percent petty officers.

I think in the heavy cruiser, the old one had 44 percent petty officers, the guided-missile cruiser has 54 percent rated petty officers.

The *Essex*-type carrier had 44 percent petty officers. The *Enterprise* has to have 53 percent petty officers to operate the complicated equipment.

Mr. MAHON. Let me ask you this, Is the electronics field one of the most difficult fields you have?

Admiral SMEDBERG. It is, because it requires the longest training and the best intellect to start and because there is great demand for the youngsters all over the country. We have a hard time persuading

them to stay against the offers they receive at the end of their first enlistment.

Mr. MAHON. Give me an example of jobs in a town of 5,000 that one of these rated electronics men might be eligible for.

Admiral SMEDBERG. Right away, every little town has at least one television repair shop. They never have enough competent repair men. There is always a radio repair shop. The telephone company must have these people to keep their equipment running. They are siphoned into that type of job.

All of the big electronic industries, many of them making things for the Government, like Raytheon and Aerojet, are taking our people.

One of the things that is hard for us to face—and when I used the word “unfortunately,” I had this in mind—we have many of our best rated electronics engineers, enlisted men, hired by civilian companies who then send the man back to the same ship from which he left where he makes the repairs that have to be made to the company’s equipment. The company perhaps has a contract to keep the equipment up until we have learned to run it, and the man goes back with twice the pay he got in the Navy and, unfortunately, tells the young people he never had it so good.

Mr. MAHON. So that hurts the morale of the Navy?

Admiral SMEDBERG. Yes, sir.

Mr. MAHON. In a city like Washington where you do have some electronics companies and all this television and telephones and electronic equipment of one kind or the other, including data processing machinery—maybe you need electronics type people in that.

Admiral SMEDBERG. Yes.

I venture to say if you went around this city into a lot of these electronic plants and asked the different people in there where they had come from, more than 50 percent would say from the Army, Navy, or Air Force.

Mr. MAHON. Do you think we ought to subsidize the Army, Navy, or Air Force, for training people for these civilian jobs?

Admiral SMEDBERG. We are.

Mr. MAHON. You have been in this business for quite some time?

Admiral SMEDBERG. Yes, sir.

Mr. MAHON. We have been speaking highly of you here, yet apparently you haven’t solved this problem.

Admiral SMEDBERG. That, sir, I think probably is the reason they are going to replace me. I wish I knew the answer.

Frankly, we are proud of the fact we have built up our reenlistment rates during these 4 years, but have not built them up at the rate of the increase. The increase and the requirements placed on us have been greater than we have been able to meet.

#### SOLUTION PROPOSED TO SHORTAGE OF TECHNICIANS

Mr. MAHON. If you were a dictator, so to speak, and had complete control of how this should be handled, and yet you had to handle it in a practical and feasible way, what, in your judgment, do you think now you probably would do to provide the men for the various services, including the Navy, in this field?

Admiral SMEDBERG. I know in my own mind. I am convinced I know the cure. It is a cure the Congress recognized in the instance

of the doctors and dentists a few years ago. We could not get them to stay in the services. You voted a substantial extra pay for them and as a result we have doctors and dentists today.

In the last pay bill there was an additional incentive for the doctors and dentists. This was resented in the services at first until we realized we had to do that. It was a matter of supply and demand.

#### REENLISTMENT BONUS VERSUS PROFICIENCY PAY

I know in my mind we are going to have to recognize this condition in the services in the not too distant future. Where we paid \$17,000 or \$18,000 to train an electronics technician, I feel it would be cheap for us to pay him a \$4,000 reenlistment bonus to keep him rather than pay \$17,000 to train his replacement. That is my feeling.

To date we have not been able to persuade the people in the Office of the Secretary of Defense this is better than the proficiency pay which we are still experimenting with.

Mr. MAHON. Proficiency pay is not adequate to do the job?

Admiral SMEDBERG. In my opinion, it is not adequate.

Mr. MAHON. Proficiency pay, if the right people get it, is a pretty good idea, I think. And raising the pay of doctors and dentists, there is a clearly defined line. You are either a doctor or a dentist. You cannot vary that. But when it comes to being an electronics technician, I do not know whether you can draw that line as tight and clear. Could you?

Admiral SMEDBERG. I believe we could, sir.

Mr. OSTERTAG. You do not train the doctors and dentists, but you do train technicians.

Admiral SMEDBERG. I think, sir, today we train almost all our doctors and dentists, or we pay for a portion of their training in return for which we get their obligated service. Not enough of them actually remain at the end of their obligated service to satisfy our needs, but we are meeting our requirements by the young doctors who have an obligation to us as a result of their payback to the Government.

Mr. MAHON. I just want to get this clear. We should not act stupidly and it would almost seem, according to your testimony, we are acting stupidly in the way we are handling this matter of trained technicians.

You can understand we have a built-in aversion on the part of the American public and the Congress to doing some of the things you advocate, but we may have to come to it.

You said some people resented this extra pay for these professional people, the dentists and the doctors?

Admiral SMEDBERG. That is right, sir.

Mr. MAHON. What would it do for morale if you pay these technicians who reenlist \$4,000, or something like that, or you raise their pay generally, or you work out a system of proficiency pay that would elevate them to a point where the pastures would not appear so green on the outside?

What would that do to the morale of the fellows who were not in such demand outside?

Admiral SMEDBERG. Mr. Chairman, first I would like to say, I hope my testimony has not indicated I think there has been any stupidity.

I hope it has not shown that. I do not think the Congress has done anything but what we have really asked for in most cases, and what they believed to be correct.

To answer your question, you asked for my personal opinion. It is my conviction that proficiency pay, which I have never liked, is a continuing source of irritation to most of the enlisted men of the Navy today. I think it is too bad this committee could not have here a number of enlisted men to ask them the questions. Most enlisted men are insulted when twice a month they go to the pay table and they see certain people in the crew getting more money than they do because, as they think of it, they are said to be more proficient. It is proficiency pay.

Mr. MAHON. They are superior.

#### VARIABLE REENLISTMENT BONUS

Admiral SMEDBERG. My plan is to have a reenlistment bonus which is a one-time affair. When a man completes his enlistment, between him and the officer who recruits him, the officer who recruits him says, "Son, if you sign up for 4 more years, we will give you \$4,000. You are that valuable to us. If you sign up for 6 more years, we will give you a \$6,000 bonus." He gets that and that enables him to pay off the mortgage on his house, gets his family out of debt, and he says, "I think, yes, I will stay." And he goes home to his wife and says, "look what we have from the Navy."

I think that is the most significant thing we have not capitalized on and we are going to have to do in the next several years; unfortunately, I have been unable to sell this to the officers in the Office of the Secretary of Defense.

Mr. MAHON. Have you been able to sell it to the Navy itself?

Could you get the CNO and the people around him to buy this, do you think?

Admiral SMEDBERG. We have, I think, sir. I think we have sold this.

When I say the Navy, I have sold this idea in varying degrees to four different Secretaries of the Navy during my tenure here and two different Chiefs of Naval Operations. I have not had an opportunity to work with the present CNO, Admiral McDonald yet sufficiently to know whether I have sold it or not, but I know in my own Bureau, the more than 1,000 officers who have worked in it since I have been Chief of Naval Personnel are almost unanimously of the opinion that the proficiency pay is not the answer to our retention. We must have something better.

We think that the variable reenlistment bonus is the answer. It varies with the criticality of the rate and the length and expense of the training.

Mr. MAHON. I must say I am impressed by your testimony here, as I always am.

You have been advocating something along the lines you describe, and yet nothing has been done about it. We have tried some alternatives.

Nevertheless, you come up and say you are 33,000 petty officers short.

Admiral SMEDBERG. In those critical ratings.

Mr. MAHON. In the highly technical skills?

Admiral SMEDBERG. Yes, sir.

Mr. MAHON. This is bad. Any good manager would do something about this.

Admiral SMEDBERG. That is right.

Mr. MAHON. It takes a long time for democracy to function. It shocks me to hear this testimony. We hear mild and vague statements of this kind, but you have been rather clear and convincing in your presentation here today.

What do you think about this idea of paying a man the enlistment bonus?

You pay him \$3,000 or \$4,000 as an enlistment bonus.

We all, to some extent, live for today only. If you give this man this bonus and he reenlists for 4 years, this money is soon gone in paying off debts, or buying a new car which perhaps he cannot quite afford.

Is that the way to do it?

I imagine some people have raised eyebrows when you have raised that question.

Admiral SMEDBERG. What we are doing is saving his money for him really when you come down to it. We are saying, "when you complete your enlistment, if you will sign up with us again, you will get this amount of money."

I think that is something the man realizes he cannot spend. He has it coming to him, if he wants to reenlist. The Navy gets paid back in two ways.

We do not have to train his replacement.

In the second place, he adds to our stability and for every man we retain we do not have to train a replacement. We save the travel costs back and forth, the school training costs, the extra instructors in the school.

I think the savings to this Government that would accrue from a proper retention rate of our highly trained people would be tremendous. I know you hear this all the time.

Mr. MAHON. What is the alternative of the Department of Defense other than this proficiency pay?

Is that the end of the whole thing, or is there some other angle that is being proposed?

#### FAILURES OF PROFICIENCY PAY SYSTEM

Admiral SMEDBERG. No, sir; at the present time the system that is being proposed is the proficiency pay system.

Now, there is admission in the Department of Defense, and all the Departments of the Navy, Army, and Air Force, that the system that was tried for 3 years of giving only \$30 to \$60 a month even though Congress authorized 4 years ago, almost 5, \$50, \$100, and \$150, we have never been permitted until the first of this past October to use more than \$30 and \$60 a month. That is not sufficient to even come close to doing the job.

On the 1st of October, we were permitted to go to \$50, \$75, and \$100 a month, as you know.

Mr. MAHON. Yes.

Admiral SMEDBERG. In my opinion, that is not going to do the job either. Some of the figures I have here—

Mr. MAHON. Suppose you went higher and paid him generally the monthly equivalent of what you would pay as a reenlistment bonus. Would that do the job?

Admiral SMEDBERG. Well, sir, my fear on that—and this fear is the result of my having talked to many enlisted men—this proficiency pay system was instituted when I was the commander of the 2d Fleet in 1959.

At that time the enlisted men on the ship who did not get proficiency pay were outraged. The boatswain's mate, who stands up in the cold on a wintry night for 18 hours and in a fueling operation, goes down below and sees the electronics technician who has been in the air-conditioned CIC room working just as hard—he sees him go to the table and draw extra money every payday, and he resents it. And twice a month many, many people in the ship resent this indication that the Navy thinks these other people are more important than they.

Mr. MAHON. In other words, they reopen a sore periodically?

Admiral SMEDBERG. Twice a month.

Mr. MAHON. Whereas, under your suggestion, this would not be a continuing thing?

Admiral SMEDBERG. It would not be evident to most people in the Navy. No one sees what the man gets, or has to see what he gets for his reenlistment bonus.

#### MISASSIGNMENT OF TRAINED TECHNICIANS

Mr. MAHON. One final question on this point—the Army has problems with trained technicians. We have confronted officials of the Army with the charge made by the GAO that the Army misassigns people. They train people as helicopter mechanics and then they make cooks out of them.

I am deliberately oversimplifying this, but there is some testimony in the record this week along this line.

To what extent is the Navy saying through its Chief of Military Personnel that you are 33,000 petty officers short in highly trained technical fields, at the same time you have people with these technical skills doing jobs which do not require the technical skills which they possess?

Admiral SMEDBERG. Of course, we are not without fault in that matter. We have pursued very diligently, starting with one particular thing that brought it to our attention, the recovery of all our trained technical people. We started in the guided missile area. We started, frankly, because there was some question of the efficiency of our guided missile ships, as you know.

We said, "We are short of the people in the electronics and guided missile area ratings. Let's see if we have any that are out of their rates."

We did. We found them in different areas. We found some acting as electricians in other kinds of ships. We have located every one of these people. We have put a special tag on them and we are employing them where they have to be employed.

I have another study going on the electronics technicians of the same nature to see to it we do not allow our trained electronics technicians to get out of electronic technician's work.

We are making a very determined effort to do this.

#### ANALYSIS OF REASONS FOR NONREENLISTMENT

Mr. WHITTEN. I know you have had experience. Many of these things get back to human nature.

In connection with this approach, do you have a special study group which has applied itself to a survey why a given number did not reenlist and all that?

Do you have a group with that particular thing in mind, to spot check these matters to see where the problem lies, or is it a case of thinking of it at your level?

Admiral SMEDBERG. We have had a number of study groups.

Frankly, the problem has reached the proportions now where the Secretary of Navy has ordered a large study to be made by the Center of Naval Analysis. They are making a study that is going to take about 8 months and be the most thorough study in this area that has ever been made.

Mr. WHITTEN. If you ever started paying \$3,000 for reenlistment, everyone is going to demand \$3,000. If you think you can keep that a secret, you are wrong. The news would get out and it would become automatic.

The thought that strikes me as being much more sound—after all, you spend a lot of time on schooling, and if a condition of the schooling was a longer enlistment period, something similar to longevity pay, you might solve the problem.

We have people who get so much investment in terms of retirement, stepped-up pay, and so forth, and even though they could get out and make more money initially, they cannot afford to quit.

If you ever start this reenlistment, it is automatic, and it is going to apply to everyone you have.

Second, if you spend a lot of money in schooling and make it a condition, I think you will get somewhere.

Most of the time, if these men had about 60 days back home and found out things were not so rosy, they might like to get back in the service. There is enough human equation in this that I think you need a group to approach it with a wide-open mind.

I would like for you to think about that. If you pay one man \$3,000 to reenlist, you are going to have to pay it to all of them.

Admiral SMEDBERG. I agree with you, unless we control it.

The skill would have to have long training required, and the man would be required to give certain amounts of service, a long amount of service.

Now, if we had other people envious and wanting to flock to that rate, that is our objective. When the rate no longer becomes critical, then you do not have to give the man this bonus. The bonus is only for the rates in which we cannot keep the people, or get the people.

#### REENLISTMENTS IN LESS THAN 90 DAYS

In recognition of another thing you said, we recognize that the field looks green until you get into it, so we give 90 days in the Navy

for a man to leave the Navy and think it over and at the end of 90 days he may come back in the Navy exactly at the same rating. He does not forfeit anything.

Mr. WHITTEN. Do you think that helps to bring them back, even though you lose some?

Admiral SMEDBERG. We think it helps. We have to pay his transportation home and back. If we could ship him over in the ship, we would save on transportation costs.

Mr. WHITTEN. How many have come back under that arrangement?

Admiral SMEDBERG. We can give you the figures for any year.

Mr. WHITTEN. Put them in the record. I think that is a good plan you have adopted.

(The information referred to follows:)

*Reenlistments—over 24 hours, less than 90 days*

Fiscal year 1961.....	4,224
Fiscal year 1962.....	3,392
Fiscal year 1963.....	4,348

TOTAL REPLACEMENT COST, VARIOUS SPECIALTIES

Mr. WHITTEN. Take the average technician you train in a school, I believe you stated at a cost of \$17,000.

Admiral SMEDBERG. Yes, sir.

Mr. WHITTEN. How much schooling does he get for that \$17,000?

Admiral SMEDBERG. I have a little card here which I carry around in my pocket. I am asked this question.

Various ratings get different amounts. The missile technician may in his 4 years put in a total of 1½ to 2 years of actual schooling.

Mr. WHITTEN. That is a newly enlisted man who winds up in the Navy for 4 years?

Admiral SMEDBERG. That is right.

Mr. WHITTEN. You take him as a green seaman apprentice?

Admiral SMEDBERG. And we put him for 3 months, first in the boot training and then, if he is awfully good, we select him and send him right to what we call the class A school in whatever he has been selected for. We give them various kinds of tests to determine their aptitudes.

Mr. WHITTEN. Ranging from 6 to 18 months to 2 years?

Admiral SMEDBERG. The schools vary in length, sir.

Mr. WHITTEN. Let's stick to the \$17,000 figure. How do you arrive at the correctness of that figure?

Admiral SMEDBERG. If you would like, I would like to document that for the record.

Mr. WHITTEN. All right.

Admiral SMEDBERG. For two or three ratings.

Mr. OSTERTAG. Is that an average figure, Admiral?

Admiral SMEDBERG. No, sir. Let's say this—

Mr. ANDREWS. Explain the \$17,000 figure with reference to that apprentice seaman who goes in for a tour of 4 years.

Admiral SMEDBERG. We will do that.

Mr. ANDREWS. Can you do that now, or do you want to supply it for the record?

Admiral SMEDBERG. I would like to supply it for the record, because I do not know the costs of the different schools and the lengths, because the lengths all vary.

(The information referred to follows:)

*Total replacement cost of boatswain's mate*  
AT END OF 1ST ENLISTMENT (4 YEARS)

COST ELEMENT	<i>Amount</i>
1. Procurement -----	\$188. 39
2. Training:	
Recruit -----	488. 51
Class:	
A -----	
C -----	
Fleet or functional -----	193. 30
Total training -----	681. 81
3. Pay and allowances: <sup>1</sup>	
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup> -----	9, 752. 00
Sea and foreign duty -----	216. 00
Leave rations -----	130. 80
Proficiency pay -----	
Initial clothing -----	179. 19
Total pay and allowances -----	10, 277. 99
4. Transportation: <sup>3</sup>	
Recruiting station to recruit training center -----	161. 02
Recruit training center to 1st duty station -----	181. 32
1st duty station to 2d duty station -----	161. 02
Total transportation -----	503. 36
5. Separation:	
Unused leave -----	141. 94
Travel -----	139. 02
Total separation -----	280. 96
6. General support: Medical (BuMed) -----	413. 12
Total replacement cost, 4 years -----	12, 345. 63

AT END OF 2D ENLISTMENT (8 YEARS)

COST ELEMENT	
1. Replacement cost, 4 years -----	\$12, 345. 63
2. Training:	
Class B -----	
Fleet or functional -----	193. 30
Total training -----	193. 30
3. Pay and allowances: <sup>1</sup>	
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup> -----	12, 306. 00
Sea and foreign duty -----	468. 00
Leave rations -----	130. 80
Proficiency pay -----	
Reenlistment bonus -----	496. 00
Total pay and allowances -----	13, 400. 80
4. Transportation: <sup>3</sup> 2 PCS moves -----	322. 04
5. General support: Medical (BuMed) -----	413. 12
Total replacement cost, 8 years -----	26, 674. 89

<sup>1</sup> Pay and allowances for entire 4-year period are included in this section.

<sup>2</sup> This figure is computed on the basis of weighted monthly pay averages based on military pay rates in effect prior to Oct. 1, 1963.

<sup>3</sup> Some elements of transportation costs are included separately in the procurement, training, and separation figures, respectively.

## Total replacement cost of fire control technician

AT END OF 1ST ENLISTMENT (4 YEARS)

COST ELEMENT		Amount
1. Procurement	-----	\$188.39
2. Training:		
Recruit	-----	488.51
Class:		
A	-----	1,331.52
C	-----	552.75
Fleet or functional	-----	193.30
Total training	-----	2,566.08
3. Pay and allowances: <sup>1</sup>		
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup>	-----	11,689.00
Sea and foreign duty	-----	339.00
Leave rations	-----	130.80
Proficiency pay	-----	750.00
Initial clothing	-----	179.19
Total pay and allowances	-----	13,087.99
4. Transportation: <sup>3</sup>		
Recruiting station to recruit training center	-----	161.02
Class A and/or C school to 1st duty station	-----	181.32
1st duty station to 2d duty station	-----	161.02
Total transportation	-----	503.36
5. Separation:		
Unused leave	-----	141.94
Travel	-----	139.02
Total separation	-----	280.96
6. General support: Medical (BuMed)	-----	413.12
Total replacement cost, 4 years	-----	17,039.90

AT END OF 2D ENLISTMENT (8 YEARS)

COST ELEMENT		
1. Replacement cost, 4 years	-----	\$17,039.90
2. Training:		
Class B	-----	1,273.50
Fleet or functional	-----	193.30
Total training	-----	1,466.80
3. Pay and allowances: <sup>1</sup>		
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup>	-----	16,392.00
Sea and foreign duty	-----	612.00
Leave rations	-----	130.80
Proficiency pay	-----	1,440.00
Reenlistment bonus	-----	720.00
Total pay and allowances	-----	19,294.80
4. Transportation: <sup>3</sup> 2 PCS moves	-----	322.04
5. General support: Medical (BuMed)	-----	413.12
Total replacement cost, 8 years	-----	38,536.66

<sup>1</sup> Pay and allowances for entire 4-year period are included in this section.<sup>2</sup> This figure is computed on the basis of weighted monthly pay averages based on military pay rates in effect prior to Oct. 1, 1963.<sup>3</sup> Some elements of transportation costs are included separately in the procurement, training, and separation figures, respectively.

## Total replacement cost of electronics technician

AT END OF 1ST ENLISTMENT (4 YEARS)

COST ELEMENT		Amount
1. Procurement	-----	\$188.39
2. Training:		
Recruit	-----	488.51
Class:		
A	-----	1,517.72
C	-----	473.67
Fleet or functional	-----	193.30
Total training	-----	2,673.20
3. Pay and allowances: <sup>1</sup>		
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup>	-----	11,024.00
Sea and foreign duty	-----	312.00
Leave rations	-----	130.80
Proficiency pay	-----	720.00
Initial clothing	-----	179.19
Total pay and allowances	-----	12,365.99
4. Transportation: <sup>3</sup>		
Recruiting station to recruit training center	-----	161.02
Class A and/or C school to 1st duty station	-----	181.32
1st duty station to 2d duty station	-----	161.02
Total transportation	-----	503.36
5. Separation:		
Unused leave	-----	141.94
Travel	-----	139.02
Total separation	-----	280.96
6. General support: Medical (BuMed)	-----	413.12
Total replacement cost 4 years	-----	16,425.02

AT END OF 2D ENLISTMENT (8 YEARS)

COST ELEMENT		
1. Replacement cost, 4 years	-----	\$16,425.02
2. Training:		
Class B	-----	4,628.06
Fleet or functional	-----	193.30
Total training	-----	4,821.36
3. Pay and allowances: <sup>1</sup>		
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup>	-----	17,052.00
Sea and foreign duty	-----	664.00
Leave rations	-----	130.80
Proficiency pay	-----	1,440.00
Reenlistment bonus	-----	600.00
Total pay and allowances	-----	19,886.80
4. Transportation: <sup>3</sup> 2 PCS moves	-----	322.04
5. General support: Medical (BuMed)	-----	413.12
Total replacement cost, 8 years	-----	41,868.34

<sup>1</sup> Pay and allowances for entire 4-year period are included in this section.<sup>2</sup> This figure is computed on the basis of weighted monthly pay averages based on military pay rates in effect prior to Oct. 1, 1963.<sup>3</sup> Some elements of transportation costs are included separately in the procurement, training, and separation figures, respectively.

## Total replacement cost of radioman

AT END OF 1ST ENLISTMENT (4 YEARS)

## COST ELEMENT

	<i>Amount</i>
1. Procurement .....	\$188. 39
2. Training:	
Recruit .....	488. 51
Class:	
A .....	975. 67
C .....	
Fleet or functional .....	193. 30
Total, training .....	1, 657. 48
3. Pay and allowances: <sup>1</sup>	
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup> .....	10, 759. 00
Sea and foreign duty .....	292. 00
Leave rations .....	130. 80
Proficiency pay .....	570. 00
Initial clothing .....	179. 19
Total, pay and allowances .....	11, 930. 99
4. Transportation: <sup>3</sup>	
Recruiting station to recruit training center .....	161. 02
Class A and/or C school to 1st duty station .....	181. 32
1st duty station to 2d duty station .....	161. 02
Total, transportation .....	503. 36
5. Separation:	
Unused leave .....	141. 94
Travel .....	139. 02
Total, separation .....	280. 96
6. General support: Medical (BuMed) .....	413. 12
Total, replacement cost, 4 years .....	14, 974. 30

AT END OF 2D ENLISTMENT (8 YEARS)

## COST ELEMENT

1. Replacement cost 4 years .....	\$14, 974. 30
2. Training:	
Class B .....	2, 673. 25
Fleet or functional .....	193. 30
Total, training .....	2, 866. 55
3. Pay and allowances <sup>1</sup>	
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup> .....	16, 112. 00
Sea and foreign duty .....	592. 00
Leave rations .....	130. 80
Proficiency pay .....	1, 440. 00
Reenlistment bonus .....	640. 00
Total, pay and allowances .....	18, 914. 80
4. Transportation: <sup>3</sup> 2 PCS moves .....	322. 04
5. General support: Medical (BuMed) .....	413. 12
Total, replacement cost, 8 years .....	37, 490. 81

<sup>1</sup> Pay and allowances for entire 4 year period are included in this section.<sup>2</sup> This figure is computed on the basis of weighted monthly pay averages based on military pay rates in effect prior to Oct. 1, 1963.<sup>3</sup> Some elements of transportation costs are included separately in the procurement, training, and separation figures, respectively.

## Total replacement cost of missile technician

AT END OF 1ST ENLISTMENT (4 YEARS)

COST ELEMENT		Amount
1. Procurement	-----	\$188.39
2. Training:		
Recruit	-----	488.51
Class:		
A	-----	2,036.64
C	-----	193.30
Fleet or functional	-----	193.30
Total, training	-----	2,718.45
3. Pay and allowances: <sup>1</sup>		
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup>	-----	11,825.00
Sea and foreign duty	-----	345.00
Leave rations	-----	130.80
Proficiency pay	-----	750.00
Initial clothing	-----	179.19
Total, pay and allowances	-----	13,229.99
4. Transportation: <sup>3</sup>		
Recruiting station to recruit training center	-----	161.02
Class A and/or C school to 1st duty station	-----	181.32
1st duty station to 2d duty station	-----	161.02
Total, transportation	-----	503.36
5. Separation:		
Unused leave	-----	141.94
Travel	-----	139.02
Total, separation	-----	280.96
6. General support: Medical (BuMed)	-----	413.12
Total, replacement cost, 4 years	-----	17,334.27

AT END OF 2D ENLISTMENT (8 YEARS)

COST ELEMENT		
1. Replacement cost 4 years	-----	\$17,334.37
2. Training:		
Class B	-----	193.30
Fleet or functional	-----	193.30
Total, training	-----	193.30
3. Pay and allowances: <sup>1</sup>		
Basic pay, quarters, subsistence, clothing maintenance, FICA <sup>2</sup>	-----	17,512.00
Sea and foreign duty	-----	692.00
Leave rations	-----	130.80
Proficiency pay	-----	1,440.00
Reenlistment bonus	-----	720.00
Total, pay and allowances	-----	20,494.80
4. Transportation: <sup>3</sup> 2 PCS moves	-----	322.04
5. General support: Medical (BuMed)	-----	413.12
Total, replacement cost, 8 years	-----	38,757.63

<sup>1</sup> Pay and allowances for entire 4-year period are included in this section.<sup>2</sup> This figure is computed on the basis of weighted monthly pay averages based on military pay rates in effect prior to Oct. 1, 1963.<sup>3</sup> Some elements of transportation costs are included separately in the procurement, training, and separation figures, respectively.

Mr. ANDREWS. He goes in there and finishes his course?

Admiral SMEDBERG. Yes.

Mr. ANDREWS. Which puts him in a position to get one of these higher paying jobs with an outside private company.

Admiral SMEDBERG. At the end of his 4 years.

#### PROFICIENCY PAY AND TRAINING TOURS

Mr. ANDREWS. Now, if he stays with the Navy, when does he begin drawing proficiency pay—when he goes on duty as a technician, or at the expiration of the 4 years?

Admiral SMEDBERG. In many cases he starts drawing his proficiency pay when he gets his rating.

Mr. ANDREWS. That is within the 4-year period of enlistment?

Admiral SMEDBERG. Yes.

We have a number of inducements.

For instance, we capitalize on the desire of a man for more education. After a man has been in the Navy 1 or 2 years, we say, if you will sign up for a total of 7 years we will send you to a certain electronic school, or missile school. We will guarantee if you stand in the upper half of your class you will be promoted when you graduate from the school, and we will guarantee to give you proficiency pay, but you must undertake to sign up for a total of 7 years in return.

Mr. ANDREWS. Then the cost of his education is greater than the \$17,000 if he goes to other schools?

Admiral SMEDBERG. Yes, sir.

As a matter of fact, in this same man we figure we have an investment of \$38,000 at the end of 8 years.

Mr. ANDREWS. And he is drawing proficiency pay during that time?

Admiral SMEDBERG. Probably.

Mr. OSTERTAG. Admiral, I want to clear up the point you have just made about this proficiency pay, not only the ratings, but the considerations you offer him which in a way strikes me as being almost identical to your bonus proposition.

You indicated in order to achieve all this he has to sign up for more time.

Now, is that not in principle the same as your bonus?

Admiral SMEDBERG. Well, I would say in principle, except the bonus removes the objectionable feature of the discrimination in the ship in the minds of the people who do not get the proficiency pay twice a month.

#### VARIABLE REENLISTMENT BONUS PLAN

Frankly, sir, I really believe that the variable reenlistment bonus would not be a great deal more money than if the man drew the proficiency pay during his whole 4 years.

Mr. ANDREWS. That was my next question.

I wish you would spell that out as best you can in the record. When would you propose to give him the reenlistment bonus? At the beginning of his new enlistment period, or at the end thereof?

Admiral SMEDBERG. At the beginning of his new period, after he has completed his first period of obligated service, and if he agreed to sign up for 4 or 6 more years, he would get the bonus.

Mr. ANDREWS. About \$1,000 a year?

Admiral SMEDBERG. Yes.

Mr. ANDREWS. That is—

Admiral SMEDBERG. That is what we in our Bureau have figured is reasonable from the point of view of the Government, and probably would keep enough people in for us to do our business.

Mr. ANDREWS. If you do not have the figures with you at this time, I wish you would supply them for the record.

Admiral SMEDBERG. I will.

Mr. ANDREWS. Let us know how you think the savings can be had.

Admiral SMEDBERG. Yes, sir.

(The information referred to follows:)

#### VARIABLE REENLISTMENT BONUS

The variable reenlistment bonus may be thought of as a lump-sum payment of the presently established proficiency pay career incentive. Proficiency pay, as now organized, provides a varying award according to the degree of relative criticality among the eligible skills. The highest award, P-3, is \$100 per month; over a 6-year period this will total \$7,200. The other awards, P-2 at \$75 and P-1 at \$50, will total \$5,400 and \$3,600 respectively over the same period. The effectiveness of this added incentive would be heightened if it were awarded in one lump sum at the time of reenlistment and would significantly reduce the discontent, dissatisfaction, and irritation that occurs at the pay tables twice a month in every ship of the Navy. The increased reenlistments might even double the rate expected from proficiency pay.

Such a method of payment could be expected to make a significant increase in reenlistment response over that expected from the fiscal year 1964 planned expenditure for normal reenlistments and proficiency pay in the Navy. This program could result in less overall personnel expenditures, saving millions in reduced training costs and lowering budget requirements.

Mr. ANDREWS. I know you have a problem. It is a vicious circle we have been running around in since this new electronic age descended upon us. You train them and private industry takes them.

Admiral SMEDBERG. That is right, sir.

Mr. ANDREWS. You cannot compete with their salaries without, as Mr. Whitten says, increasing all the salaries and bankrupting the Government. So you have a grave problem.

Admiral SMEDBERG. Yes.

Mr. FLOOD. Let me say this—we are not going to hear from a more able or better personnel officer than Admiral Smedberg from any branch of the service.

Mr. ANDREWS. I agree with that.

Mr. FLOOD. I have been sitting here since I came back from San Juan Hill. You were here since the War Between the States. I have never heard a better personnel officer. I do not expect to hear one.

Here is where we are, that being the case. When he was with the 2d Fleet I sat here, and so did you, and we heard this very exciting presentation made all that year on this proficiency pay. I remember it as though it was last night.

Admiral Smedberg came on board as personnel officer. We kicked this around a little bit his first year. Then 3 years ago I undertook to examine him almost word for word, Mr. Chairman, as you just did today. I spent nearly a half hour with him, and we talked about exactly, almost verbatim, the questions were identical and the answers were identical. Three years ago, after Smedberg had been on this job 1 year, I examined him for a half hour asking him almost every question you asked him today, Mr. Chairman, and he answered almost verbatim as he answered you today.

Progressively he has firmed up his opinion, vis-a-vis proficiency pay and this bonus concept.

Now, he has no more to say, and he is getting off this job.

I repeat for the purpose of emphasis, you are not going to get anyone as capable and as knowledgeable of this problem as this man Smedberg is.

That puts us in this position: We have to either fish or cut bait, starting now. The straw that breaks the camel's back with me is his recitation of manning that new guided-missile destroyer with eight slots for a technician and this two-striper goes on board with one. This is unbelievable. I never heard of this before in the history of Navy with any other kind of ship since there has been a Navy. I hope I never hear of it again. This situation cannot possibly get worse. You are at the end of the line.

Mr. MAHON. Off the record.

(Off the record.)

Mr. FLOOD. The proficiency pay has had a workout since 1959. It is not working.

Someone at topside, Defense, wants to give it 3 more years. I know you know, and you know I know that you know, and Smedberg knows that at the end of 3 years it will be progressively worse than it is today.

Now, what in the world are we going to do about a situation like that—pretend, like a little gas on your stomach, it will go away? It will not. Happy New Year.

#### EDUCATIONAL LEVEL OF RECRUITS

Mr. MAHON. I assume you would agree with this—the overall level of training of the people who finish our grammar schools and high schools is much higher than it formerly was. So you are getting better people, even though they are not technicians—if you get high school graduates, you are getting people who are immeasurably better trained in some ways than they were 10 or 15 years ago, I would think. And it seems to me that this would help raise the overall level of skill and knowledge and capability in the Navy. Is this of much value to you?

Admiral SMEDBERG. Yes, it does raise it, but not to the degree of the advances. In other words, the advances have been more rapid than, I think, the product of the high schools. And I am not too sure today that our high schools are doing a better job of turning out boys who understand mathematics than they used to. I don't know.

Mr. FLOOD. I do not accept the chairman's premise at all. I don't know whether that was a rhetorical question. I don't know whether he said that for the purpose of debate. I suspect he didn't mean it himself, but certainly in the areas that we are talking about I cannot accept the premise that high school students tomorrow morning are better for your purposes than they were 15 years ago; not at all.

Mr. WHITTEN. All my life I have heard of the McGuffey Readers, which preceded me. Recently in paperback form the sixth reader came out. I happened to see it and bought it. I read it. In my judgment it is equivalent to college training, public speaking pronunciation, enunciation and the scholastics and everything else, and it was taught nationwide in the sixth grade, and it is equivalent, in

my opinion, to what you get in college in that field of activity, except that in many colleges they don't worry with many of the basic things that are in that.

Admiral SMEDBERG. I agree with you 100 percent.

Mr. OSTERTAG. Admiral, I cannot let this moment go by without adding my own personal respect and admiration for you and pay tribute to your outstanding contributions, not only in your responsibility as head of Navy personnel but to the many responsible assignments you have held throughout your career. My first acquaintance with you and observation of your military service came about when I was a member of the Board of Visitors at the U.S. Naval Academy and you were Superintendent.

Admiral SMEDBERG. Yes, sir.

Mr. OSTERTAG. I want to join with my associates here on this committee in tribute to the outstanding service you have rendered and your valued contribution to the good of the Navy, and our military and national security.

To get back to the question of proficiency—and I do not want to take issue with you, but I think it might be well to clear up at least in our minds the actual intent or purpose of proficiency pay. I will grant you that you make a good point on how it works in reverse. I can see and can understand where many of the rank and file of the enlisted personnel resent and take exception to it and perhaps they are retarded in their own efficiency by virtue of this system. On the other hand, it is intended as a means of compensating for proficiency and it is held out, is it not, as a means to inspire good, efficient, proficient and better service?

You imply that it does not work exactly that way.

Now, suppose we were to adopt a plan—I say “we”—I mean the Government of the United States, the Congress—which has for its purpose an outright bonus, if that is what we might call it, for reenlistments, based on technical services and proficiency in the first instance. You do not want reenlistments of unqualified people or people who are not going to lend themselves to your requirements. Certainly this could not be exclusively a Navy matter, because if it is adopted, it has to be universal in the military service; is that correct?

Admiral SMEDBERG. That is correct.

Mr. OSTERTAG. So in the consideration of the bonus plan, it has to be considered on the broad-brush application of our whole Defense Establishment.

Have you any estimate of how much that would cost—recognizing, as you have already pointed out, that it would be a saving in a sense, in that you would eliminate costs of training and retraining and many of the aspects that go into preparing these men to do this job? A \$4,000 bonus would be about \$83 a month more, over and above their regular pay. Would you award that bonus on a basis of a monthly compensation, or would you award it outright, as a grant, in a lump sum?

Admiral SMEDBERG. I think there is no question, sir, but that all officers who study this in my bureau agree it should be a lump sum. It is the cash-in-hand for the man at one time that prevents him from spending it in little bits and gives him a sum of money that he can use to pay for his car or pay for his house or pay his debts, pay for his kid's teeth, whatever it is, whatever the great necessity is at the

time, he can have this, and it is something that he can look forward to. That is the reason, sir, that I feel the variable reenlistment bonus—when I say “variable,” the amount varies with the criticality of the skill and in no case would this be given to a man who hadn’t demonstrated during previous enlistment that he is the kind of man we want to keep.

Mr. OSTERTAG. To project this point again, with regard to the application of the proficiency, which you say the benefits actually work in reverse to a certain extent. How about the bonus feature? Is it your meaning or intent that every serviceman who reenlists would receive the same bonus?

Admiral SMEDBERG. No, indeed. That is why we call it a variable reenlistment bonus.

Mr. OSTERTAG. Then you are going to discriminate by offering a bonus to certain men because they are in certain skills or certain types of service, as against others, are you not?

Admiral SMEDBERG. No more, sir, than the baker is discriminated against because the electronics technician or the electronics engineer gets more money.

Mr. OSTERTAG. Well, my point is, Aren’t we going to reach the same kind of a problem again with the bonus as compared with proficiency pay as it relates to the attitude of the rank and file of the servicemen who witness this other fellow receiving it while they do not?

Admiral SMEDBERG. No, I don’t think so, sir, and there are several reasons.

Mr. ANDREWS. First, I want to say that I share the views expressed by my colleagues here about your service as a naval officer.

Admiral SMEDBERG. Thank you.

Mr. ANDREWS. I hope you are not leaving the service.

Admiral SMEDBERG. Yes, sir; I am. I am retiring this month.

Mr. ANDREWS. You have done a grant job.

Admiral, does the Navy pay any kind of reinlistment bonus?

Admiral SMEDBERG. Yes, all men get reinlistment bonuses at the present time.

Mr. ANDREWS. Reinlistment bonuses are nothing new?

Admiral SMEDBERG. No, sir.

Mr. ANDREWS. Do the Army, Air Force, and Marine Corps make use of them?

Admiral SMEDBERG. Yes, sir; all services.

Mr. ANDREWS. Your idea is to try to buy the services of a skilled technician?

Admiral SMEDBERG. That is all, sir.

Mr. OSTERTAG. Mr. Chairman, I want to inquire about this petty officer question that you raised.

Mr. MAHON. Go right ahead, sir.

#### RATIO OF PETTY OFFICERS TO TOTAL PERSONNEL

Mr. OSTERTAG. The chairman discussed with you, Admiral, this acute shortage of petty officers and I wondered if you could clear up for us the total number of petty officers in the Navy.

Admiral SMEDBERG. 323,000, approximately, sir. I can give you the exact figure.

Mr. OSTERTAG. Has your requirements for petty officers increased by virtue of these skilled technical fields?

Admiral SMEDBERG. Yes, sir.

Mr. OSTERTAG. I mean in ratio to the total overall military strength?

Admiral SMEDBERG. Yes, sir.

Mr. OSTERTAG. And you have provided for a greater number of petty officers?

Admiral SMEDBERG. We have asked for a greater number, sir.

Mr. OSTERTAG. Is that one of the reasons why you are short?

Admiral SMEDBERG. No, sir, I don't think at the present time it is one of the reasons. I'd like to check with my planner, Admiral Duncan.

Do you feel that is one of the reasons at the present time we are short? It will be in the years to come, but not now.

Admiral DUNCAN. I understood the question was that, since our needs had grown, it was true. This is true.

Mr. OSTERTAG. You have increased your total petty officer strength, have you not?

Admiral SMEDBERG. Yes, sir, but not enough to meet the needs. For instance, we have predicted our petty officer ratio should go from about 54½ percent—say last year—up to 63 percent by 1974, and this is solely because of the requirements for more skills on the complicated weapons that are coming out. That is all.

As you know, the radars in the big ships, some of them take 15 and 20 skilled technicians to maintain. Whereas in the old days, one technician could maintain three radars in a ship.

#### SELECTION AND TRAINING OF PETTY OFFICERS

Mr. OSTERTAG. How does a man become a petty officer in the first instance?

Admiral SMEDBERG. Well, sir, he has to pass examinations, put in a certain amount of time.

Mr. OSTERTAG. He comes through the ranks, does he not?

Admiral SMEDBERG. Yes, sir. In some cases he passes due to his studying of courses we make available to him.

Mr. OSTERTAG. You are unable to promote or advance the required number in the service to this level, is that correct?

Admiral SMEDBERG. We have, of course, ceilings on the numbers. In what we call the soft skills, like bakers and cooks and stewards, we always have many, many more people who are qualified for promotion than we have quota to promote.

In the very critical skills, any man who can pass the examinations will get promoted, and they do go up very rapidly because they are very intelligent people. So we are not up against the stops, you might say, in the critical rate, for promotions right now. We are just approaching the stops now because the ceiling that is placed on us is too low for the requirements for those petty officers right now.

Mr. OSTERTAG. What I am trying to determine is whether your shortage in petty officers and your enlarging the base requirements for petty officers in your overall picture of personnel. Are they trained specifically as petty officers? It is a matter of promotion to that rank.

Admiral SMEDBERG. They are trained specifically for those petty officers ratings, sir. Every man.

Mr. OSTERTAG. But they are trained within the service?

Admiral SMEDBERG. Yes, sir.

Mr. OSTERTAG. So it is a matter of not keeping up with the training that causes your shortage? I mean, your training requirements?

Admiral SMEDBERG. Yes, sir, that is correct. It is the fact that too many of our trained men are going out for us to be able to replace them. In other words, we can't replace the number going out with an equal number coming in—plus the expanding requirements.

Mr. OSTERTAG. In other words, you are losing more than you are able to keep up with through promotion or advancement from the lower ranks?

Admiral SMEDBERG. That is correct.

Mr. MAHON. Mr. Sikes.

#### RECOVERY OF BONUS PAID JUST PRIOR TO DISCHARGE

Mr. SIKES. This is a question I am sure will arise sooner or later and I think we might have the answer in the record.

Admiral, in the event a man is paid a reenlistment bonus and shortly afterward he applies for and receives a hardship discharge, then what is his status, or what is the status of the reenlistment bonus? What happens to it?

Admiral SMEDBERG. I believe sir,—and I'd like to check this—that it is recouped. The Government recovers it. That is correct, is it not?

Captain GARDES. Yes, sir, when the discharge is by reason of unfitness or bad conduct, but not in case of hardship discharges.

Mr. SIKES. What degree of success do you have in recovering this money? The man is gone, and he has already spent the money. You may or may not get it back. He may want to pay it back and not have the money to pay it back. What happens?

Admiral BENNETT. We have quite a number of cases outstanding.

We are required to make every possible attempt to make a legal claim in the name of the Government. There are, of course, many cases where these claims cannot be actually recouped. The man disappears or moves with no forwarding address and we lose it.

#### RECOUPMENT OF REENLISTMENT BONUS

Mr. MAHON. I believe Mr. Sikes wants at this point in the record the best answer you can give. You say there are many cases. Well, how many? Do you get back the reenlistment bonus most of the time, or to what extent?

Admiral SMEDBERG. May we furnish this for the record? We have some good figures here.

Mr. MAHON. All right.

(The information requested follows:)

#### RECOUPMENT OF REENLISTMENT BONUS

The following data for recoupment of reenlistment bonus is for the period July 1, 1963, through December 31, 1963:

Number of personnel.....	480
Amount of money to be recouped.....	\$249, 000
Amount actually collected at time members were discharged.....	\$47, 000
Uncollected amount after members have left the service.....	\$202, 000

Based on previous experience, approximately 36 percent of the uncollected amount will be recouped by the Navy after the members leave the service. The remainder of this unrecouped amount is turned over to the Government Accounting Office as uncollectable debts. No information is available as to the amount collected by the Government Accounting Office after the cases have been turned over to them for processing.

#### OFFICER CAREER MANAGEMENT

Mr. MAHON. At page 2 of your justification you say,

Officer promotions are those considered necessary for career planning.

This raises the question of officer career management. The committee has from time to time taken some exception to the time-honored and traditional method of officer promotion. What are your thoughts at the present time with respect to these matters, particularly when it comes to the promotion of an officer highly qualified in a very specialized field who can have or is of no value in the more generalized area known for centuries, probably, as seamanship.

Admiral SMEDBERG. It is hard for me to answer, but I will say this. We are placing much more emphasis on specialization in the Navy today than we have in the past. In other words, the so-called rounded career is no longer as important as the officer's specialization or his subspecialization. We are now requiring all officers to have a subspecialization of some sort. All unrestricted line officers, such as I am, have as a primary specialty, warfare at sea. Naval warfare. That is my prime specialty. My second specialty, my subspecialty, you might say, is communications. I am a postgraduate in communications. I specialized in communications during my younger years until I was able to get excommunicated. But each officer, today, is going to be required to have a subspecialty. Now, it could be in strategic planning. It could be in political military policy. It could be in management. It could be in international relations. But mostly it is going to be in the technical areas like communications, or ASW, or missilry. Each officer is going to have to have a subspecialty. I tell each selection board today, and I started more than 2 years ago, that they are not to consider the well-rounded background as important as how well a man has performed and the degree of specialization he has achieved in something other than his Naval warfare specialty.

Mr. MAHON. That is very good, and if you could add anything more, there, I would be glad to have you do so for the record.

(The information requested follows:)

OPNAV 1040.2  
Pers-Blcl-ck  
December 9, 1963

DEPARTMENT OF THE NAVY  
OFFICE OF THE CHIEF OF NAVAL OPERATIONS

Washington, D.C. 20350

OPNAV Instruction 1040.2

From: Chief of Naval Operations

To: All Ships and Stations (less Marine Corps field addressees not having Navy personnel attached)

Subject: Career management of Navy officers.

Reference: (a) Officer Fact Book (NAVPERS 15898)

Enclosure: (1) Unrestricted Line Subspecialty Areas and Designated Advisors

*1. Purpose*

To promulgate a policy for the career management of Navy officers and to delineate responsibilities in connection therewith.

*2. Background*

The characteristics of our Navy of today, and especially of the future, demand that we exploit the full potential of our officer personnel. Continuing efforts are underway to increase the educational and experience levels of the officer corps to meet this challenge. Additional education alone cannot do this, but must be coupled with a program of career management designed to utilize this education and experience, develop its practical application, and insure the efficient and maximum utilization of officers' talents.

*3. Discussion*

(a) From the outset, it must be recognized that the billet structure of the Navy, established by the Chief of Naval Operations with the advice and recommendations of commands and technical assistants, delineate the parameters within which careers must be developed. Career management is the synthesis of individual effort and management control. Management control is the administrative action based upon plans, policy, and needs of the service, and is manifested in the training and assignment of officers to meet authorized billet requirements. The objective is to meet the present and future needs of the service by assigning officers responsibilities commensurate with grade and experience and insuring professional development through assignments of ever increasing responsibility. Obviously the individual who best serves the Navy, as demonstrated by his performance and professional development, is most likely to achieve a successful naval career. Success of career management is measured by the ability of the Navy to meet its officer requirements.

(b) Chapters 7 and 8 reference (a) discuss in more detail the professional development patterns of all officers in specialty areas. In a general way, careers can be planned ahead as outlined in chapters 7 and 8 of reference (a). However, with respect to specific assignments, careers are evolutionary in that officers are selected for each assignment and each selection predicated on demonstrated performance and experience. Only with this system of continual evaluation can the Navy insure flexibility to meet ever changing billet requirements, insure that the best qualified officers are selected for the most demanding and important assignments, and are selected for promotion.

*4. Responsibility for the Assignment of Officers*

(a) The Chief of Naval Personnel is responsible for assignment of all officers. Restricted line and staff corps sponsors conduct management control planning for the officers of their respective groups and forward their recommendations to the Chief of Naval Personnel for coordination and implementation. The Chief of Naval Personnel maintains direct control and accomplishes all phases of management control for unrestricted line officers.

(b) The employment of the unrestricted line officer, while not employed in specialty, has become a subject of increasing importance the professional development and effective utilization of officers' talents, developed through education, functional training and experience in all fields of naval endeavor, must be considered. In response to these considerations the subspecialty concept has been developed.

### 5. *Subspecialty Concept*

(a) The subspecialty concept is an integral part of career management. This concept, as treated here, applies only to unrestricted line officers, although in many cases restricted line and staff corps officers also utilize subspecialties; the primary distinction being that unrestricted line subspecialties are in addition or complementary to their specialty of naval warfare, while restricted line and staff corps subspecialties are within their specialties.

(b) The subspecialty concept has been adopted in order to meet the increasing demands for unrestricted line officers with significant depth of knowledge and experience in specific fields. Subspecialty is defined as a particular field of naval endeavor, other than naval warfare, or a significant qualification in one of these fields, obtained through a combination of formal education, functional training, and practical experience. Broad areas of naval warfare and qualifications such as aviation or submarines are not considered subspecialties but are considered part of the unrestricted line officers' specialty of naval warfare and command at sea. Subspecialty, therefore, can be further described as a secondary career development field.

(c) Assignment policy is based on the subspecialty concept. This policy requires the assignment of officers with basic qualifications as subspecialist trainees and/or as subspecialists for repeated tours within their subspecialty fields but insuring that such assignments do not interfere with professional development in their specialty of naval warfare and command at sea. In this respect, proficiency in specialty is attained primarily at sea and must be given first consideration. It is anticipated that subspecialty requirements can be met by sufficient numbers of officers acquiring a subspecialty of their choice.

(d) The primary criterion for promotion must be performance in all duty assignments. Performance will be more and more dependent upon the officer's ability to understand and to cope with the increasing technical environment in which he must serve. Thus, acquiring a subspecialty will not only enhance an officer's performance, but it will become one of the vital stepping stones of his professional career. Professional development in specialty of naval warfare leading to successful command at sea still remains the hallmark of the unrestricted line officer, and the broader and deeper the knowledge gained by the officer corps through subspecialty, the greater the opportunity to gain this hallmark in the complex Navy of the future.

### 6. *Subspecialist Requirements*

A study is now underway to identify billets in subspecialty areas and level of qualification required. When qualitative criteria are established, present and future billets will be so identified, possibly in the same manner that billets are now P-coded to denote postgraduate requirements. Studies to date indicate that qualification criteria will vary with the subspecialty area and in each area there will be at least two levels of competence, the qualified subspecialist and the subspecialist trainee. Studies further indicate that billet requirements ashore in the field of naval warfare may require that some officers be employed primarily in specialty, at sea and ashore, and may not have the opportunity to develop subspecialties. However, the majority of unrestricted line officers will be required to develop a subspecialty in order to meet subspecialist requirements and permit rotation between specialty and subspecialty.

### 7. *Identification of Subspecialists*

When the aforementioned criteria have been established, the Chief of Naval Personnel will identify and designate, on an individual basis, officers meeting these criteria. Studies to date indicate that an officer will qualify as a subspecialist after he has successfully completed postgraduate education in a field directly or closely related to a subspecialty or has developed an equivalent background based upon undergraduate education, functional training, depth of experience, or a combination thereof. Using these general guidelines, it is apparent that an officer will not normally become a subspecialist until he is a senior lieutenant or above.

### 8. *Unrestricted Line Subspecialty and Designation of Advisors*

Enclosure (1) is a list of the major unrestricted line subspecialty areas and the designated advisor for each area. Only major areas are listed; related areas with limited requirements are considered to fall within the most appropriate major area. This list will be changed as new requirements develop.

### 9. Management Control Responsibilities

#### (a) Chief of Naval Operations:

(1) Establish billet requirements and priorities among and within programs to insure the optimum distribution of available officers.

(2) Identify subspecialty requirements in billet authorizations, as appropriate.

#### (b) Restricted Line and Staff Corps Sponsors:

(1) Advise the Chief of Naval Operations (OP-01) of billet requirements and qualitative criteria for identifying billets in areas of responsibility.

(2) Maintain liaison, by appropriate representative, to advise the Chief of Naval Personnel on PG curriculums and billet descriptions within areas of responsibility.

(3) Accomplish management control planning for their respective groups insuring maximum utilization in speciality.

(4) When appropriate, submit recommendations for assignments to the Chief of Naval Personnel for coordination and implementation.

#### (c) Subspecialty advisors:

(1) Advise the Chief of Naval Operations (OP-01) of subspecialty billet requirements and qualitative criteria for identifying billets in areas of responsibility.

(2) Maintain liaison, by appropriate representative, to advise the Chief of Naval Personnel on qualitative criteria for identification of subspecialists, PG curriculums, and billet descriptions within subspecialty areas of responsibility, as appropriate.

#### (d) Chief of Naval Personnel:

(1) Assign officers to meet the requirements and in accordance with the priorities established by the Chief of Naval Operations.

(2) Insure that each unrestricted line officer is afforded maximum but equitable opportunity, commensurate with career potential, for professional development in naval warfare at each grade level in order to enhance current operations and maintain the broadest possible base for mobilization. Concurrently, insure that each qualified subspecialist and subspecialist aspirant is assigned to a billet in subspecialty, if available, whenever such assignment does not interfere with professional development in speciality.

(3) With due regard for the recommendations of sponsors, insure that each restricted line and staff corps officer is afforded maximum but equitable opportunity, commensurate with career potential, for professional development in his speciality at each grade level.

(4) Assign limited duty and warrant officers to billets afloat and ashore, as appropriate, to complement the subspecialists.

(5) Encourage unrestricted line officers to develop subspecialties through post-graduate education, functional training, self-study, and by requesting duty leading to qualification.

(6) Consider in career management planning the transfer of highly qualified subspecialists, even late in their careers, to the restricted line to meet authorized strength in those categories when it is indicated that such officers can better serve the Navy as specialist than subspecialist.

(7) Maintain appropriate records of subspecialty billet requirements and subspecialists to aid in efficient utilization of subspecialists.

ROY S. BENSON,

*Assistant Vice Chief of Naval Operations/Director of Naval Administration.*

OPNAVINST 1040.2  
December 9, 1963

*Unrestricted Line Subspecialty Areas and Designated Advisors*

<i>Unrestricted line subspecialty areas</i>	<i>Advisors</i>
Financial management: That phase of business administration involving such areas as finance, comptrollership, budgeting, accounting, banking, fiscal management, and financial practices.	Deputy Comptroller of the Navy.
Material and support services management: That phase of business administration involving such areas as material and equipment, facilities and services for overhaul, repair and inspection; procurement and distribution and industrial engineering and management.	Chief of Naval Material.
Intelligence: That phase of naval endeavor involving the planning and execution of measures to collect, evaluate, interpret, and disseminate information concerning naval plans, air and missile plans and resources, facilities, and equipment of foreign nations and to safeguard U.S. information and security.	Assistant Chief of Naval Operations (Intelligence)/Director, Naval Intelligence.
Political/military relations: That phase of national/international affairs that deals with diplomatic developments and foreign policy as pertains to national defense and the Navy's mission and with the maintenance of contact with other Government agencies regarding politics—military matters and strategic planning.	Deputy Chief of Naval Operations (Plans and Policy).
Public information: That phase of national/international affairs that deals with the direction and participation in programs of public interest consistent with the Navy's mission and policy.	Chief of Information.
Communications: That branch of naval endeavor that deals with radio frequency management and the research, design, development, planning, programming, program appraisal, budgeting, installation, maintenance, operation and readiness of communication equipment and systems.	Assistant Chief of Naval Operations (Communications)/Director, Naval Communications.
Personnel administration: That branch of naval endeavor involving planning, research and administration of the procurement, selection, classification, distribution, education and training, performance separation, welfare, and records of naval personnel.	Chief of Naval Personnel.
Science: That phase of science applicable to several subspecialty areas or not specifically covered elsewhere, such as:	
(a) Operations Analysis and Computer Systems Management.	Chief of Naval Operations (OP-35).
(b) Meteorology-----	Director, Naval Weather Service.
(c) Oceanography and Hydrographic Engineering.	Oceanographer of the Navy.
(d) Other sciences (i.e., Physics, Chemistry, Mathematics, etc.).	Chief of Naval Research.

!Unrestricted Line Subspecialty Areas and Designated Advisors—Continued

<i>Unrestricted line subspecialty areas</i>	<i>Advisors</i>
Engineering, general: That phase of engineering applicable to several subspecialty areas or not specifically covered elsewhere, such as:	Chief of Naval Material.
Electrical Engineering.	
Electronics Engineering.	
Mechanical Engineering.	
Metallurgical Engineering.	
Chemical Engineering.	
Nuclear Engineering.	
Ship engineering: That branch of engineering that deals with the research design, development, construction, production, procurement, alteration, maintenance and repair of ships and ship machinery, equipment and materials.	Chief of Bureau of Ships.
Aeronautical engineering: That branch of engineering that deals with the research, development, design, production, repair and testing of naval aircraft, associated components, satellites and manned space vehicles.	Chief of Bureau of Naval Weapons.
Weapons engineering: That branch of engineering that deals with the research, development, production, testing, installation, maintenance, delivery and effects of nuclear and conventional weapons, and weapons materials including fire control systems.	Chief of Bureau of Naval Weapons.

CONSOLIDATION OF ALLOTMENT CENTERS

Mr. MAHON. There are apparently three centers for the payment of military allotments. That is, allotments for military personnel of their pay for various authorized services. Is there any reason to believe that by consolidating this that you would accomplish a more economical operation?

Admiral SMEDBERG. Might I ask the budget officer to answer that?

Mr. MAHON. Yes.

Admiral BENNETT. We have this recent GAO report, as you are well aware, Mr. Chairman, and we are currently working on our response to this.

It is our belief as of the moment that the savings to be achieved would be achieved through increasing the productivity and the number of documents processed per man, rather than in the consolidation. There are some weaknesses of consolidation, such as, what would actually happen if all of the allotments were consolidated at the finance center in Cleveland as recommended by the GAO, and we had a mobilization or a semimobilization. This would create quite a problem and yet this treatment of allotments must continue.

So we believe that improvement in management efficiency is the answer, rather than the consolidation, per se.

PERSONNEL ASSIGNED TO NON-NAVY DUTIES

Mr. MAHON. Would you place in the record at this point the usual tabulations for unclassified publication of the numbers of personnel assigned outside the Department of the Navy? This is with duties outside the Department of the Navy. And in this connection,

would you provide for the committee the table which would show precisely where the persons were assigned?

Admiral SMEDBERG. Yes, sir.

Mr. MAHON. Thank you.

(The information referred to follows:)

*Navy personnel assigned to joint, interdepartmental, and nondefense agencies*

Agency	Allocated, Dec. 31, 1963	Planned, end 1964	Planned, end 1965
DOD/JCS (including DASA, DIA, DSA Civil Defense, etc.)	2,461	2,449	2,608
Unified/specified commands	868	905	849
International staff	881	897	900
Joint activities	1,110	1,227	1,086
MAAGS/missions	902	905	722
National Security Agency (including security groups)	10,701	10,687	11,864
Support of Army	48	55	52
Support of Air Force	45	45	48
Total	17,016	17,170	18,125

PUBLIC INFORMATION SPECIALISTS

Mr. MAHON. There would appear to be a number of personnel engaged in information activities. One of the purposes of the committee some years ago in setting a limitation was to restrict the ever-increasing activities of the military departments in public information. How many Navy personnel are presently engaged in this activity?

Admiral SMEDBERG. I can answer that for you.

As you know, we have had a ceiling of 80 officers in the Navy who can be public information specialists. We will give you the exact numbers. That ceiling has been temporarily raised; I think it is to 100. There are 20 more. That is by direction of the Secretary of the Navy. This is a temporary matter and those extra 20 are to be replaced by subspecialists—Regular officers with a subspecialty—a postgraduate and some work in public relations, as soon as possible.

Mr. MAHON. Some time ago the General Accounting Office made reference to a finding that there were substantial amounts of taxable income erroneously not reported, and conversely, taxes withheld from the pay of military personnel erroneously. These things were identified as primarily the failure of the clerical personnel to perform assigned tasks.

This raises the question of the extent to which military personnel are indoctrinated in this type of detailed activity. And again, we have the question of whether or not this is a field in which military personnel should be trained. Do you want to speak to that?

Admiral BENNETT. Yes, sir. We, of course, have quite a number of people involved in the disbursement of pay. We believe that our people are reasonably well trained. We have an increasing emphasis on the training of disbursing personnel, with particular emphasis on the tax computation.

The Navy Comptroller handles this. We have teams that go out both to the ships and stations and to the finance offices to examine in this particular area. Our results have improved in recent years, sir. We believe that we are making significant improvement.

## FLIGHT PAY

Mr. MAHON. At page 14 of your justification you indicate an increase of approximately 100 in the rank of captain in the incentive pay for hazardous duty, flying duty category. Does this mean you are taking advantage of the 15-year provision in the appropriation bill, or are there actually in fact an additional 100 captains needed for flying?

Admiral SMEDBERG. I think I'd better answer that, sir. Without knowing definitely, I would say that there is the need, sir, but I would like to verify that for the record and tell you what the justification is.

Mr. MAHON. Yes, and give us some information as to what is happening to this 15-year provision.

Admiral SMEDBERG. Yes, sir.

(The information referred to follows:)

Due to an influx of aviators during World War II, there is a greater number of aviators who will be eligible for promotion to captain in fiscal year 1965, thereby increasing the number of aviator captains eligible to receive incentive pay.

The 15-year provision is being used. The numbers drawing incentive pay under this provision average from 450 to 475.

## FAMILY SEPARATION ALLOWANCES

Mr. MAHON. At page 19 of the justification you indicate an increase of nearly one-third in the numbers of persons or families entitled to "family separation allowance."

What is the basis for this increase?

Admiral SMEDBERG. Sir, this is the first year we have ever had the family separation allowance. Did I understand you to say family separation allowance?

Mr. MAHON. Yes.

Admiral SMEDBERG. This, of course was made law on the first of October. We have no other experience. We are now learning who those families separated are and frankly, we are having to sift a lot of different cases to determine whether or not they do get the allowance.

Now, we have ruled in many cases they don't. For instance, if they are in Government quarters and the husband goes away, the family doesn't get the separation allowance, and they are pretty bitter about it. But there are reasons that they shouldn't. I think the technicality to which you referred, which I didn't understand—it was a technicality that Admiral Bennett can discuss with you.

Admiral BENNETT. The principal reason is the 1964 column is a 9 months' column, whereas 1965, is a full year.

Mr. MAHON. Last year we discussed briefly the use of "supergrade" enlisted positions in connection with submarine duty. This year in your estimates you show 113 E-9's and 511 E-8's. Could you tell us the number presently on duty in the submarine service in these grades?

Admiral SMEDBERG. We can for the record, sir. Perhaps we do have it here. Yes, we do.

Right now, sir, we have 52 in 1964, E-9's; and 464 E-8's, and the 52 will go up to 113; and the 454 to 511, and without knowing the detail, I think probably that is because of the extra POLARIS submarine crews going in between 1964 and 1965. Also, the pay bill means a little difference in money, but that wouldn't mean any difference in numbers.

## CHANGE IN ENTITLEMENT FOR SUBMARINE PAY

Mr. MAHON. Can Mr. Robenhymer comment on that?

Mr. ROBENHYMER. Under the new pay bill, personnel assigned to a training billet for nuclear submarine duty are entitled to submarine pay. This is new under the present pay bill. We did not have this before. This caused the increase in 1965 in addition to increased requirements for more submarines.

## LUMP SUM TERMINAL LEAVE PAYMENTS

Mr. MAHON. At page 36 of the justification, separation payments are shown and I notice that the number of lump sum terminal leave payments jumps from 147,000 in fiscal year 1964, to 165,000 in fiscal year 1965. Could you tell us about the experience in terms of numbers of lump sum terminal leave payments over, say, the last few years? Say 5 years?

Admiral SMEDBERG. We can furnish that for the record, sir.

Mr. MAHON. In a general way, what would it show?

Admiral SMEDBERG. We had greater numbers of personnel leaving the service, so we have to pay more terminal payments.

Now, this is going to continue, I think, for several years as the World War II humps gradually go out in high ranks. For instance, the great captain humps are now beginning to phase out of the Navy and there is a big hump in the commander's grade.

(The information referred to follows:)

*Numbers of enlisted lump-sum terminal-leave payments*

Fiscal year 1960.....	139, 906	Fiscal year 1963.....	154, 997
Fiscal year 1961.....	133, 601	Fiscal year 1964.....	147, 043
Fiscal year 1962.....	143, 681	Fiscal year 1965.....	164, 986

## UNIFORM RATION LAW

Mr. MAHON. Your budget justification reflects an increase in subsistence of enlisted personnel of about \$3 million, or about 1 percent. What would be the effect on your requirements for subsistence funds in the event Congress enacted the proposed uniform ration allowance law?

Mr. ROBENHYMER. There won't be any change because we are operating under the Navy ration law at the present time, and the uniform ration law would bring the other services up to the Navy level. It might cost us a little more if they increased the ounces of milk furnished. If you increased it from 8 to 16 ounces, it would cost more.

Mr. MAHON. We had some testimony from the Army on this milk-cost problem, I believe.

Involved here is the Commodity Credit Corporation and reimbursement to the Commodity Credit Corporation?

Mr. ROBENHYMER. Yes, sir; and the Navy under the Navy ration law is required to give the boy at least 8 ounces of milk. Now, the point on Commodity Credit, I would have to submit that for the record, sir. I don't have all the background information available.

Mr. MAHON. We wouldn't give him any more milk, but we would finance it differently, is that correct?

Mr. ROBENHYMER. Yes, sir.

## MATS RATE INCREASE BUDGETED BY DOD

Mr. MAHON. You state at page 51 that a rate increase of 2.4 percent for travel by way of MATS has been authorized. We note that from trade papers and elsewhere the Civil Aeronautics Board has ordered a reduction in MATS contract rates with commercial carriers. Are these two rates related to the same type of carriage by MATS, or do you know?

Mr. ROBENHYMER. The MATS rate for 1964 has gone down slightly from 1963 and the projected increase in 1965, is 2.4 percent over 1964. Now, this is a projected increase approved by OSD, for 1965. What basis they used to approve this increase, is not known to me.

## EXTENDED PERIODS OF TEMPORARY DUTY AT ONE LOCATION

Mr. MAHON. In October 1963 the General Accounting Office issued a report on illegal per diem payments to personnel serving as military inspection representatives in Japan. The GAO letter indicated that the Navy was in agreement with respect to these payments and that Navy travel instructions were being revised and internal audit programs were being given specific guidance in this area. It was also noted that the Navy felt that all personnel who could have had responsibility for these payments had been reassigned and that an investigation would be undertaken with respect to the circumstances surrounding these payments. Would you give us a little background on this problem? Could you tell us whether or not the investigation has been completed and what the results have been?

Admiral BENNETT. The investigation has been conducted, sir. We have determined the necessity of revising out travel regulations to clearly prohibit consecutive periods of temporary duty at the same place. Our investigations have disclosed that in accordance with the instructions then existing that the personnel concerned did act in good faith. The weaknesses are in the instructions, and the instructions are being revised.

## POSITION ON RECOVERY OF OVERPAYMENTS

Mr. MAHON. In this same report by GAO, the GAO proposes that the illegal payments of per diem be recovered from the individuals involved. The Navy has apparently taken the position that recovery would be unconscionable because officials had ministered the joint travel regulations. It further appears that it was the GAO position that the Navy did not comply with the law. What is the present status of the proposal to recover from individuals? It would seem a bit harsh, I would think.

Admiral BENNETT. It was our recommendation, sir, that recovery not be processed. Of course, once it goes to the GAO, if GAO feels differently, they normally would go to the Department of Justice for prosecution if they feel that the law has been violated, but it is our position, sir, that there should be no prosecution or attempt to recover.

Mr. MAHON. What is the status of the so-called category D officer training about which we had some controversy some time ago; 2 years ago?

Admiral SMEDBERG. We have an improvement, sir, in that we have 8,000 officers scheduled for this training and as I said in my

statement, this will give each officer who is not in a drill pay status one 2-week training period every 3 years and in effect, will train our large group of about 24,000 Reserve officers not in drill pay status once every 3 years. It is 2 weeks once every 3 years.

#### DEFINITION OF TRAVEL TIME

Mr. MAHON. The General Accounting Office notes that the Navy Comptroller Manual contains a provision concerning travel time which says, "will be computed on the basis of actual schedules of public surface transportation." This seems to have a built-in limitation not in the Defense Joint Travel Regulations which say, "not to exceed constructive travel by common carrier over a usually traveled route." Is there a contradiction in this?

Admiral SMEDBERG. No, sir. We have taken the action indicated and we have, I think, cut 1 day off.

Admiral BENNETT. We have revised these Navy comptroller regulations.

Mr. MAHON. Are there any further questions of these gentlemen?

#### CONDUCT OF NAVAL PERSONNEL

Mr. ANDREWS. What about the conduct of your naval personnel, Admiral?

Admiral SMEDBERG. In my opinion, Mr. Andrews, the naval officers and men are the best I have ever seen in almost 42 years that I have been in the service. I think they are a higher type and they are harder working and a more devoted group than I have ever seen as a group.

Mr. ANDREWS. Do you have a record of courts-martial you could insert in the record at this time?

#### COURTS-MARTIAL DATA

Admiral SMEDBERG. I would speak from memory, sir, if I said the general courts-martial last year were only 75 but I would like to check the figures. That was quite amazing to me.

Mr. ANDREWS. What about your prisoner population?

Admiral SMEDBERG. Our prisoner count for 1962 was 3,461. That is Navy and Marines.

For 1963 it was 3,859. For December 1963, it was 3,696.

Now, the average prisoner population for fiscal year 1964 is estimated at 3,700.

Mr. ANDREWS. How many brigs do you have now?

Admiral SMEDBERG. We will furnish that for the record, sir, the numbers. They were greatly reduced in numbers, as you know. I can't tell you offhand.

(The information referred to follows:)

## Courts-martial data

Fiscal year	Summary courts-martial	Non-BCD special courts-martial	BCD special courts-martial	General courts-martial
1959-----	23, 874	8, 749	2, 032	608
1960-----	22, 016	8, 851	2, 076	479
1961-----	21, 075	8, 769	1, 673	299
1962-----	21, 168	8, 676	1, 440	284
1963-----	16, 168	8, 545	1, 521	313

## Number of brigs

Brigs (ashore)-----	51
Disciplinary command-----	1

## HEALTH IN THE NAVY

Mr. FLOOD. How is the health in the Navy?

Admiral SMEDBERG. I would characterize it as being excellent, sir. If you want some exact figures, I will get them for the record.

Mr. FLOOD. I think we should have it.

(The information referred to follows:)

## Daily average occupied beds

	Actual, fiscal year 1963	Fiscal year 1964 July-November 1963
Naval hospitals-----	6, 090	5, 965
Station hospitals-----	343	346
Selected dispensaries-----	428	366
All others (ships, small dispensaries, etc.)-----	463	482
Total-----	7, 324	7, 159

## HARDSHIP DISCHARGES

Mr. FLOOD. Do you have any figures on how many applications there were for hardship discharges and how many were granted?

Admiral SMEDBERG. Yes, sir; we have those figures, and can furnish them for the record.

(The information referred to follows:)

## Hardship discharges

	Fiscal year 1962	Fiscal year 1963
Enlisted requested-----	2, 431	2, 565
Approved-----	591	718

Mr. FLOOD. Off the top of your head, now, were there many granted?

Admiral SMEDBERG. Yes, sir; a great many.

Mr. FLOOD. Too many?

Admiral SMEDBERG. No, sir; because every hardship request goes before a board of officers in my bureau and I don't think any genuine

hardship that is greater than that suffered by the group is turned down.

Mr. FLOOD. Is your policy to resolve doubts in favor of the applicant?

Admiral SMEDBERG. Yes, sir; I think so.

Mr. FLOOD. Have there been any squawks this year, especially about clothing, or chow?

Admiral SMEDBERG. No, sir. I think that our food, if anything, is better than it has been in a long time.

Mr. FLOOD. You are not overfeeding, are you?

Admiral SMEDBERG. I don't think so, sir; but if we are, our physical fitness program is taking care of it.

Mr. FLOOD. I don't see many naval officers any more looking like Japanese wrestlers. I used to see them.

Admiral SMEDBERG. You may know, sir; our Under Secretary of the Navy, Mr. Fay, has taken a great personal interest in this program.

Mr. FLOOD. Yes, I know all about him. He is the outdoor type. I know him very well, indeed.

You haven't any intention of increasing hazardous duty and special pay categories? They will stay where they are? Is there any pressure for increasing the category of hazardous pay? Not the amount, but the types and kinds.

Admiral SMEDBERG. No, sir.

Mr. FLOOD. Nothing this year?

Admiral SMEDBERG. Nothing beyond the little new one added in the pay bill, which had to do with the low-pressure chamber, as I think you will remember.

Mr. FLOOD. That is all, Mr. Chairman.

Mr. SIKES. Admiral, have there been any changes in recruitment policy or modification in physical standards or medical standards?

Admiral SMEDBERG. No, sir, but we are just about to undertake a study which has been directed by the Secretary of Defense to see if we can't standardize the physical entrance requirements to all the services' academies, as you probably know.

#### APPOINTMENT AND RETENTION OF LAWYERS

Mr. SIKES. Do you have an adequate number of lawyers?

Admiral SMEDBERG. In my opinion, yes, sir.

Mr. SIKES. Is there any problem about securing the services of, and retaining the services of lawyers?

Admiral SMEDBERG. I would prefer, sir, that the Judge Advocate General answer that, if you would like me to put that in the record, as his expert view.

Mr. SIKES. You may do that.

(The information referred to follows:)

#### SECURING AND RETAINING LAWYERS

There is a problem in securing and retaining the services of lawyers. More difficulty in securing lawyers is being experienced since the draft law was changed to exempt all married people. It is difficult also to retain young, able lawyers who have completed their obligated service because a civilian career is much more attractive and especially remunerative over the years than is a career in the military service.

Mr. SIKES. Is the number of doctors and dentists now reasonably adequate?

Admiral SMEDBERG. Yes, sir; I think they are reasonably adequate. We would like to have more regulars, but they are reasonably adequate.

Mr. SIKES. Is there any problem in obtaining the services of and retaining the services of nurses?

Admiral SMEDBERG. There is a problem, sir, and this committee is going to have some statements made when medicare comes up. The Nurse Corps strength during fiscal year 1964 is below requirement. The combination of decreasing losses and increased recruiting is expected to alleviate the situation by the end of fiscal year 1965.

Mr. SIKES. Is it your suggestion that detailed questions be deferred until witnesses appear before us who will deal more directly with the subject?

Admiral SMEDBERG. Yes, sir.

Mr. SIKES. Thank you very much, gentlemen. It has been a pleasure to hear you.

APPOINTMENT AND RETENTION OF LAWYERS

Mr. SIKES. Do you have a specific number of lawyers

Admiral SMEDBERG. In my opinion, yes, sir.

Mr. SIKES. Is there any problem about getting the services of and retaining the services of lawyers?

Admiral SMEDBERG. I would prefer to put that in the report. General answer that if you would like to put that in the report

as he is the only

Mr. SIKES. You may do that.

(The nomination closed to follow.)

APPOINTMENT AND RETENTION OF LAWYERS

There is a problem in getting and retaining the services of lawyers. The number of lawyers is below requirement and the situation is expected to be alleviated by the end of fiscal year 1965.

WEDNESDAY, JANUARY 22, 1964.

MILITARY PERSONNEL, MARINE CORPS  
RESERVE PERSONNEL, MARINE CORPS

## WITNESSES

BRIG. GEN. ORMOND R. SIMPSON, USMC, ASSISTANT CHIEF OF STAFF, G-1 HQMC  
BRIG. GEN. RONALD R. VAN STOCKUM, USMC, DIRECTOR, MARINE CORPS RESERVE, HQMC  
JAMES F. WRIGHT, FISCAL DIRECTOR OF THE MARINE CORPS  
LT. COL. DONALD T. OLSON, USMC, HEAD, PERSONNEL PLANS AND PROGRAMS BRANCH, G-1 DIVISION, HQMC  
LT. COL. GEORGE F. BAUMAN, USMC, TECHNICAL MANPOWER BRANCH, OFFICE OF THE DEPUTY CHIEF OF STAFF (AIR), HQMC  
MILTON A. GILLIE, BUDGET BRANCH, FISCAL DIVISION, HQMC  
RICHARD W. MEADE, TRAVEL BUDGET PLANNING SECTION, PERSONNEL DEPARTMENT, HQMC  
REAR ADM. F. G. BENNETT, USN, ASSISTANT COMPTROLLER, DIRECTOR OF BUDGET AND REPORTS, OFFICE OF THE COMPTROLLER OF THE NAVY

## MILITARY PERSONNEL, MARINE CORPS

*Object classification*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct obligations:			
11 Personnel compensation: Military.....	439,478	479,900	499,700
12 Personnel benefits.....	137,692	154,800	157,700
21 Travel and transportation of persons.....	23,924	27,200	26,900
22 Transportation of things.....	9,806	9,900	9,900
25 Other services.....	3,197	3,300	3,300
26 Supplies and materials.....	50,161	49,900	48,800
32 Lands and structures.....			
42 Insurance claims and indemnities.....	390	500	600
43 Interest and dividends.....	92	100	100
Total direct obligations.....	664,740	725,600	747,000
Reimbursable obligations:			
11 Personnel compensation: Military.....	209	280	280
12 Personnel benefits.....	90	120	120
21 Travel and transportation of persons.....	60	300	300
26 Supplies and materials.....	6,908	7,600	8,300
Total reimbursable obligations.....	7,267	8,300	9,000
Total obligations.....	672,007	733,900	756,000

## Program and financing

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Program by activities:			
Direct program:			
1. Pay and allowances of officers.....	133,326	152,100	157,800
2. Pay and allowances of enlisted personnel.....	423,321	463,500	478,900
3. Pay and allowances of cadets.....	1,244	1,100	1,000
4. Subsistence of enlisted personnel.....	66,312	64,700	65,200
5. Permanent change of station travel.....	39,977	43,500	43,300
6. Other military personnel costs.....	560	700	800
Total direct obligations.....	664,740	725,600	747,000
Reimbursable program:			
1. Pay and allowances of officers.....	225	300	300
2. Pay and allowances of enlisted personnel.....	74	100	100
3. Subsistence of enlisted personnel.....	6,908	7,600	8,300
4. Permanent change of station travel.....	60	300	300
Total reimbursable obligations.....	7,267	8,300	9,000
Total obligations.....	672,007	733,900	756,000
Financing:			
Advances and reimbursements from—			
Other accounts.....	-5,682	-6,900	-7,600
Non-Federal sources (10 U.S.C. 6087).....	-1,585	-1,400	-1,400
Unobligated balance lapsing.....	211		
New obligational authority.....	664,951	725,600	747,000
New obligational authority:			
Appropriation.....	667,900	678,600	747,000
Transferred to "Family housing, Defense" (76 Stat. 237).....	-4,691		
Transferred from "Emergency fund, Defense" (76 Stat. 334).....	1,742		
Appropriation (adjusted).....	664,951	678,600	747,000
Proposed supplemental due to Uniformed Services Pay Act of 1963.....		47,000	

## RESERVE PERSONNEL, MARINE CORPS

## Object classification

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct program:			
11 Personnel compensation: Military.....	18,853	21,273	22,244
12 Personnel benefits.....	277	312	326
21 Travel and transportation of persons.....	3,303	3,776	3,749
25 Other services.....	32	32	32
26 Supplies and materials.....	4,192	4,494	4,536
42 Insurance claims and indemnities.....	5	13	13
Total direct obligations.....	26,662	29,900	30,900
Reimbursable program:			
26 Supplies and materials.....	164	200	200
Total obligations.....	26,826	30,100	31,100

## Program and financing

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Program by activities:			
Direct program:			
1. Reserve component personnel.....	25,584	28,600	30,000
2. Reserve officer candidates.....	1,078	1,300	900
Total direct obligations.....	26,662	29,900	30,900
Reimbursable program:			
1. Reserve component personnel.....	161	197	197
2. Reserve officer candidates.....	3	3	3
Total reimbursable obligations.....	164	200	200
Total obligations.....	26,826	30,100	31,100
Financing:			
Advances and reimbursements from—			
Other accounts.....	-146	-155	-155
Non-Federal sources (10 U.S.C. 7601).....	-17	-45	-45
Unobligated balance lapsing.....	138		
New obligational authority.....	26,800	29,900	30,900
New obligational authority:			
Appropriation.....	28,100	28,500	30,900
Proposed supplemental due to Uniformed Services Pay Act of 1963.....		1,400	
Transferred to "Emergency fund, Defense" (76 Stat. 334).....	-1,800		
Appropriation (adjusted).....	26,800	29,900	30,900

Mr. MAHON. We will resume our hearing on military personnel. We are pleased to have before us this morning representatives of the Marine Corps.

Proceed.

## GENERAL STATEMENT

## BIOGRAPHICAL SKETCH OF BRIG. GEN. ORMOND R. SIMPSON, U.S. MARINE CORPS

Brigadier General Simpson was born March 16, 1915, at Corpus Christi, Tex. He graduated from Texas A. & M. College in June 1936 and was commissioned a second lieutenant in the Marine Corps. During World War II he served with the 8th Marines in the South Pacific; as the assistant G-4, general headquarters, southwest Pacific area during the Philippines campaign and later on the staff of the Supreme Commander, Allied Powers in occupied Japan. Following the war he served as an instructor at the Marine Corps Schools, Quantico; Headquarters, Marine Corps; with the 2d Marine Division, Camp Lejeune, N.C., and with the 1st Marine Division in Korea. In June of 1955 he graduated from the Army War College and subsequently served at Headquarters, Marine Corps; as Chief of Staff, Marine Corps Schools; as assistant division commander, 3d Marine Division, Okinawa; and as commanding general, 3d Marine Expeditionary Brigade in Thailand. He was promoted to brigadier general in August 1961. He assumed his present duties in April of 1963.

Decorations include the Legion of Merit (Army), Bronze Star Medal, the American Defense Service Medal, the American Campaign Medal, the Asiatic-Pacific Campaign Medal with two Bronze Stars, the World War II Victory Medal, the Navy Occupation Service Medal, the National Defense Service Medal, the Korean Service Medal, the United Nations Service Medal, the Philippine Presidential Unit Citation, and the Philippine Liberation Ribbon with one Bronze Star.

General SIMPSON. Mr. Chairman and members of the committee, it is my pleasure to appear before this committee to present the Marine Corps manpower program for fiscal year 1965 and the budget submission to support it.

The Marine Corps fiscal year 1965 manpower program is designed to support the Marine Corps with an active duty strength of 190,000

marines at begin year, 190,060 at end year, and with a man-year average of 190,030. The planned end strength for fiscal year 1964 is 190,000.

The Marine Corps manpower program for fiscal year 1965 is characterized by these three salient points:

- (a) Essentially level strength.
- (b) An increase in officer strength within the level total strength.
- (c) A more stable enlisted structure in fiscal year 1965 as compared to fiscal year 1964.

Although the end year strengths for both years are practically the same, the end year distribution of personnel varies. In fiscal year 1964 the planned distribution provides for 16,831 officers, 172,781 enlisted, and 388 marine aviation cadets (MarCads). The fiscal year 1965 end year distribution is planned at 17,340 officers, 172,380 enlisted, and 340 MarCads.

There is considerable variation in the personnel turnover characteristics of fiscal year 1964 as compared to fiscal year 1965. In fiscal year 1964, approximately 40,000 marines will complete their enlistments and leave the Marine Corps; in fiscal year 1965, 32,000 marines will leave the Marine Corps, reducing procurement of recruits by approximately 8,000.

#### SECRETARY OF DEFENSE 5-YEAR FORCE STRUCTURE AND FINANCIAL PROGRAM

The allocation of marine personnel to the various programs in the 5-year force structure and financial program in fiscal year 1964 differs slightly from fiscal year 1965 as shown in the following summary. Although Marine Corps personnel are associated with six of the programs contained in the 5-year force structure and financial program the great majority of our strength is concentrated in the General Purpose Forces.

CHART No. 1

	Fiscal year 1964	Fiscal year 1965
Program I: Strategic Retaliatory Forces (Marine detachments aboard the U.S.S. <i>Proteus</i> , <i>Huntley</i> and other ships which support the ballistic missile submarines.)	61	106
Program II: Continental Air and Missile Defense Forces (A marine barracks at the Naval Station, Keflavik, which supports the airborne DEW line extension, and personnel assigned to headquarters, Conad.)	193	193
Program III: General Purpose Forces (All of the Fleet Marine Forces, most of the forces afloat, the majority of our marine barracks and base support personnel.)	138,868	140,130
Program IV: Airlift and Sealift Forces	0	0
Program V: Reserve and Guard Forces (Active duty personnel who are assigned to the reserve function at Marine Corps District Headquarters, inspector-instructor staffs, commander, Marine Air Reserve Training Command and as NROTC instructors.)	4,553	4,458
Program VI: Research and development (Marine Corps personnel in this program are assigned to one marine barracks and various liaison billets that are in support of R. & D. efforts.)	185	189
Program VII: General Support Forces (Training, intelligence, communications, supply, Headquarters Marine Corps, miscellaneous joint and liaison billets, recruiting and JCS/OSD personnel.)	46,140	44,984

Guidelines for preparation of manpower programs are derived basically from the Secretary of Defense 5-year force structure and financial program.

CHART No. 2  
Strength summary

	Fiscal year 1964	Fiscal year 1965
Total:		
Begin.....	189,683	190,000
Average.....	190,000	190,030
End.....	190,000	190,060
Officers (number and percent):		
Begin.....	16,737—8.82	16,831—8.86
Average.....	16,942—8.92	17,086—8.99
End.....	16,831—8.86	17,340—9.12
MarCads:		
Begin.....	405	388
Average.....	403	364
End.....	388	340
Enlisted:		
Begin.....	172,541	172,781
Average.....	172,655	172,580
End.....	172,781	172,380
NCO ratio (percent):		
Begin.....	39.40	40.00
Average.....	39.58	39.61
End.....	40.00	40.00

Our total requirement for officers within a 190,000 Marine Corps is 17,595 which provides for an officer percentage of 9.26 percent. As will be noted on chart No. 2 we will be moving toward this requirement in fiscal year 1965 by increasing the officer percentage to 9.12 percent. During fiscal year 1965 we will continue an NCO ratio (grades E-4 and above) equal to 40 percent of the total enlisted strength. Secretary of Defense now authorizes the number of NCO's in each grade that we may attain by the end of each fiscal year. The authorized figures for fiscal year 1965 provide the desired 40-percent ratio.

The foregoing strength summary indicates the plan to distribute end and average strengths. There are two items of interest in this comparison between fiscal year 1964 and fiscal year 1965; the slight increase in total authorized strength and the incremental increase in the officer percentage during fiscal year 1965.

The increase of 60 additional marines by end fiscal year 1965 resulted from a "program change proposal" submitted by the National Security Agency and approved by the Secretary of Defense, which reflects the increasing requirements of that Agency for security personnel. Although an extra 60 marines may appear to be relatively minor, it represents an equivalent of one rifle platoon (reinforced) which would otherwise have to come from our Fleet Marine Forces.

The increased officer percentage reflects the buildup of officer strength which began in fiscal year 1962 when the Marine Corps total strength increased from 175,000 to 190,000. The buildup is being accomplished in increments in order to insure that our procurement efforts will maintain the desired standards of quality in our young officers. The buildup in officer strength is being accomplished within the overall authorized strength of 190,000, plus the 60 marines just mentioned, and consequently results in a small reduction of enlisted personnel. We do not imply that these enlisted personnel are not needed but rather we emphasize that the additional 509 officers requested for fiscal year 1965 represents an incremental step toward achieving the 9.26 percent which our present structure requires.

Even with the planned incremental increase, our officer strength will remain below our actual needs for fiscal year 1965. This is so because our combat and support forces have been below required table of organization strength in officers, and because additional requirements for officers have been generated by the introduction of new aircraft and new units.

Although the total enlisted strength decreases slightly in fiscal year 1965 it will still be possible to effect an increased allocation to the Fleet Marine Forces due to the relatively stable enlisted personnel characteristics of fiscal year 1965.

Now I would like to speak in more detail about the personnel programs planned for each major category of personnel.

## CHART No. 3

*Officer grade distribution*

Grade	Begin fiscal year 1964	Begin fiscal year 1965	End fiscal year 1965	End year difference
Major general and above.....	29	29	30	+1
Brigadier general (O-7).....	32	32	31	-1
Colonel (O-6).....	568	607	612	+5
Lieutenant colonel (O-5).....	1,354	1,411	1,411	0
Major (O-4).....	2,365	2,509	2,549	+40
Captain (O-3).....	3,997	3,762	3,674	-88
1st lieutenant (O-2).....	4,185	4,777	4,810	+33
2d lieutenant (O-1).....	2,752	2,234	2,703	+469
WO-4.....	89	79	67	-12
WO-3.....	132	107	150	+43
WO-2.....	440	498	886	+388
WO-1.....	794	786	417	-369
Total officers.....	16,737	16,831	17,340	-----

Man-year average:

Fiscal year 1964..... 16,942

Fiscal year 1965..... 17,086

This chart (No. 3) shows the grade distribution planned for the officer corps for fiscal year 1965 as compared with fiscal year 1964.

An increase of one major general will more adequately reflect existing requirements. In addition to the corresponding end of year decrease of one brigadier general, one retired brigadier general will return to inactive duty in fiscal year 1964.

The small increases in the grades of major and colonel will be used to meet existing requirements for officers in those ranks. The decrease in the number of officers in the grade of captain will result in a temporary shortage in that rank, but is a situation that will be offset through orderly promotion of the increased number of lieutenants. The substantial increase in the number of lieutenants is made possible by, and reflects, the increased total officer strength in fiscal year 1965.

The warrant officers grade distribution reflects an increase of 50 in the total number of warrant officers (1,470-1,520). The large input of fiscal year 1962 is now moving into the grade of W-2. A relatively small input of W-1's will be required in fiscal year 1965 to maintain the warrant officer structure at the higher level.

CHART No. 4  
Officer promotions

To grade	Fiscal year 1964	Fiscal year 1965	Difference
Major general (08).....	6	5	-1
Brigadier general (07).....	9	8	-1
Colonel (06).....	104	109	+5
Lieutenant colonel (05).....	314	234	-80
Major (04).....	815	445	-370
Captain (03).....	829	555	-274
First lieutenant (02).....	2,313	2,040	-273
Warrant officer-4.....	14	8	-6
Warrant officer-3.....	10	64	+54
Warrant officer-2.....	144	462	+318
Total.....	4,558	3,930	-628

As chart No. 4 shows, it is estimated that vacancies and resulting promotions will be less in the general officer grades in fiscal year 1965.

The increase in promotions to colonel, as well as the decrease in promotions to lieutenant colonel, major, and captain, basically reflect routine variations in the officer structure and, consequently, in the number of officers who should be considered for promotion in these 2 years.

The decrease in promotions to first lieutenant reflects the large input of new officers during a buildup in strength in fiscal year 1962 and a lesser input of new officers the following year.

The large increase in promotions to W-2 is a result of the large increase in warrant officer strength in 1962. Those warrant officers appointed in fiscal year 1962 will be completing 3 years in grade as a W-1.

As in the past few years, we estimate that about 400 Reserves will join the Regular establishment. Those officers who do not become Regular marines may still be retained on active duty as Reserve officers as part of the career Reserve program.

The officer aircraft crewmember requirement for fiscal years 1964 and 1965 will increase from 4,949 to 5,122. This significant increase is primarily in naval aviation observers (NAO) and will be fulfilled by school graduates from the Naval Aviation Training Command.

#### MARINE AVIATION CADETS

The fiscal year 1964 and fiscal year 1965 MarCad program will decrease. There will be an input to the training command of approximately 400 in fiscal year 1964 and approximately 325 for fiscal year 1965. This program will supply approximately 40 percent of our annual aviator requirements. In order to increase the warrant officer helicopter pilot inventory to 100—we now have about 75—selected warrant officers will be trained in the Naval Aviation Training Command to be designated naval aviators.

CHART No. 5  
Enlisted grade structure

Pay grade	Fiscal year 1964		End/begin	Fiscal year 1965		End year difference
	Begin	Average		Average	End	
E-9-----	722	720	730	730	730	-----
E-8-----	2,345	2,386	2,500	2,500	2,500	-----
E-7-----	6,898	6,577	6,500	6,500	6,500	-----
E-6-----	10,679	11,000	11,300	11,300	11,300	-----
E-5-----	17,277	17,217	18,386	18,034	18,386	-----
E-4-----	30,069	30,438	29,696	29,300	29,536	-160
E-3-----	40,196	36,631	37,000	37,793	38,000	+1,000
E-2-----	43,149	41,662	39,191	42,377	45,165	+5,974
E-1-----	21,206	26,024	27,478	24,046	20,263	-7,215
Total-----	172,541	172,655	172,781	172,580	172,380	-----

Chart No. 5 shows the enlisted grade structure proposed for fiscal year 1965 compared to that of fiscal year 1964. The differences occurring in the E-2 and E-1 grades are a result of the high turnover characteristics of fiscal year 1964 compared to fiscal year 1965 where 8,000 less recruits will be needed. The increase in marines in the E-3 grade in fiscal year 1965 over fiscal year 1964 reflects an increase in Marine Corps requirements in that grade. The decrease in E-4 reflects the reduced enlisted strength in fiscal year 1965 with a proportionate decrease in the number of NCO's to remain within the authorized NCO strengths.

CHART No. 6  
Enlisted promotions

To pay grade	Fiscal year 1964	Fiscal year 1965	Difference
E-9-----	140	105	-35
E-8-----	641	378	-263
E-7-----	1,145	1,247	+102
E-6-----	2,302	1,967	-335
E-5-----	5,284	3,473	-1,811
E-4-----	19,906	15,377	-4,529
E-3-----	29,155	25,019	-4,136
E-2-----	29,534	35,197	+5,663
Total-----	88,107	82,763	-5,344

Chart No. 6 shows the enlisted promotions planned for fiscal year 1964 and fiscal year 1965. The fiscal year 1964 promotion plan is designed to achieve the authorized NCO strengths by endyear. Fiscal year 1965 promotions are planned to replace losses, the preponderance of which will occur in pay grades E-4 and below. During fiscal year 1965 it is planned to continue the policy of giving weight in promotion selection to time-in-grade and time-in-service with the result that the majority of promotions will be among those personnel who have above the average time-in-grade.

## CHART No. 7

## Reenlistments

	Fiscal year 1964			Fiscal year 1965		
	Eligible	Number reenlisted	Rate (percent)	Eligible	Number reenlisted	Rate (percent)
1st term.....	28,432	3,806	13.39	24,009	3,988	16.61
Career.....	10,638	8,883	83.50	10,383	8,701	83.80
Total.....	39,070	12,689	32.48	34,392	12,689	36.89

A reenlistment rate through December 1, 1963, of 30.12 percent indicates that reenlistments are running slightly below plan. An overall rate of 32.48 percent was projected during fiscal year 1964. For fiscal year 1965, the projected reenlistment rate is 36.89 percent. Past experience indicates higher reenlistment rates occur during years of moderate turnover such as fiscal year 1965 and lower rates during years of high turnover as in fiscal year 1964. There are other factors such as national economic conditions and the international situation which cannot be foreseen, that will influence reenlistment rates.

There will be a slight increase in the total number of reenlistment bonuses in fiscal year 1965 compared to fiscal year 1964. This, along with the grades of those reenlisting, will increase the total dollar value of reenlistment bonuses during fiscal year 1965. The majority of reenlistments will be in pay grades E-5 and below and will qualify for the maximum in a reenlistment bonus. Reenlistments of pay grade E-6 and above remain essentially the same in fiscal year 1965 as in fiscal year 1964. Many of these career personnel reenlisting will have already received the maximum amount authorized.

## BASIC ALLOWANCE FOR QUARTERS

BAQ costs for fiscal year 1965 have increased over those of fiscal year 1964 as a result of a projected increase in the number of marines with dependents that we will have in fiscal year 1965. The projections are based on experience and trend factors.

## PROFICIENCY PAY

Proficiency pay (specialty) awards are being concentrated in those specialties which require relatively long and costly training and in which there is a shortage of career personnel, primarily electronics maintenance specialties. A total of 6,030 specialty pay awards are programed for end fiscal year 1965. In addition 1,667 superior performance awards are programed for fiscal year 1965.

## CONCLUSION

In closing I should like to briefly summarize the six activities that comprise the total budget for Military personnel, Marine Corps.

## Summary of obligations

[In thousands]

Activity Number	Budget activity	Fiscal year 1964	Fiscal year 1965	Difference
1	Pay and allowances of officers.....	\$152,100	\$157,800	+\$5,700
2	Pay and allowances of enlisted personnel.....	463,500	478,900	+15,400
3	Pay and allowances of cadets.....	1,100	1,000	-100
4	Subsistence of enlisted personnel.....	64,700	65,200	+500
5	Permanent change of station travel.....	43,500	43,300	-200
6	Other military personnel costs.....	700	800	+100
	Total.....	725,600	747,000	+21,400

Activity 1: Pay and allowances of officers are increased primarily because of increase in numbers and effects of 1 full year at new pay rates.

Activity 2: Pay and allowances of enlisted personnel are increased primarily because of 1 full year at new pay rates, variances in grade structure, and increased numbers drawing basic allowance for quarters.

Activity 3: Pay and allowance of marine aviation cadets are decreased due to a decrease in number of personnel.

Activity 4: Subsistence of enlisted personnel is increased primarily because of increased number of operational rations to be purchased in the budget year to be consumed in subsequent years.

Activity 5: Permanent change of station decreases because of decrease in separation travel as a result of fewer marines reaching their expiration of service and decreases in accession travel due to lower number of recruits required.

Activity 6: Other military personnel costs. The new pay rates are reflected in the increase in death gratuity rates.

Mr. Chairman, this completes my formal statement on the fiscal year 1965 budget and manpower program.

## RESERVE PERSONNEL, MARINE CORPS

General Van Stockum has a short statement on Reserve personnel, if you would like to hear that at this time.

Mr. MAHON. Proceed, General.

## BIOGRAPHICAL SKETCH

Brig. Gen. Ronald R. Van Stockum was appointed a Marine second lieutenant August 4, 1937, following his graduation from the University of Washington with a bachelor of arts degree in economics.

General Van Stockum was serving with the Marine detachment aboard the carrier *Wasp* at the outbreak of World War II. Later, he was assigned to the 3d Marine Division and took part in the Bougainville campaign earning a Bronze Star Medal. He also participated in the recapture of Guam.

His first experience with the Organized Marine Corps Reserve was gained in 1947 and 1948 as an inspector-instructor of the 4th Infantry Battalion, USMCR, in Minneapolis. He then became the inspector-instructor of the 1st Infantry Battalion, USMCR, in New York City where he served until August 1949.

Following duty as an inspector-instructor, General Van Stockum completed senior school at Marine Corps Schools, Quantico, Va. He also attended the Canadian National Defense College.

General Van Stockum has served on the staff of the commander, Amphibious Group 2, on board the U.S.S. *Mt. Olympus*, and has served as headquarters Commandant for the Commander in Chief, Far East and United Nations Commands, in Tokyo. For the latter service, he was awarded the Army Commendation Medal.

Between the years 1958 and 1961, he served as regimental commander of the 8th Marines, as division inspector of the 2d Marine Division and as chief of staff of the 2d Marine Division.

In July 1961, he became director of the 4th Marine Corps Reserve and Recruitment district with headquarters in Philadelphia. Serving in that capacity for nearly a year, he became director of the Marine Corps Reserve in June 1962, and was appointed a brigadier general on July 1 of that year.

#### GENERAL STATEMENT

General VAN STOCKUM. Mr. Chairman and members of the committee, I appreciate the opportunity to appear before you again in support of the budget estimates for the appropriation "Reserve Personnel, Marine Corps." This appropriation provides for the pay, allowances, clothing, subsistence, travel, and other related costs for Marine Corps reservists (including 6-month trainees) attending drills and performing periods of active duty for training. Also included are costs for Reserve officer candidates undergoing training.

This budget supports an Organized Marine Corps Reserve (drill-pay) strength of 45,500. This strength was achieved first in fiscal year 1962—maintained in fiscal year 1963—is our current strength—and will be maintained with no difficulty in fiscal year 1965.

The urgency of our early mobilization mission dictates Reserve-Regular correlation and compatibility and sets the theme for our organization, equipment and training. With this in mind our objective is to provide the strongest, most effective reserve force possible at the most economical cost. The reorganization effected July 1, 1962 was directed toward this end. At present, we are making gratifying progress in the training of units of the 4th Division/Wing team. This is particularly true for some of our recently redesignated technical units. For example, the 3d Motor Transport Maintenance Company of Sacramento, Calif., during its last period of annual field training actually accomplished the rebuilding of 20 combat vehicles which were then returned to service with the Regular Marine Corps.

There are three primary reasons for our progress. First, the team concept has been popular with the reservists themselves. They identify themselves as part of a ready-to-fight Marine Corps team. Second, this team has been enthusiastically accepted and supported by the regular establishment. Third, the reorganization has proven to be economically sound. It has given us a single clear objective—all training and related expenditures are directed toward improving the mobilization readiness of the Marine Corps as a whole.

Continued emphasis is being placed upon amphibious training. We are planning to integrate an infantry regiment and reinforcing artillery from the 4th Division with elements of the 1st Division in a major exercise in 1965. We are continuing with our training on Vieques and at Roosevelt Roads, P.R. This coming summer, 11 Reserve units (5 rifle companies, 3 engineer companies, 3 attack squadrons) will deploy to the Caribbean for annual field training.

Marine Reserve units are using locally available training facilities of other services to good advantage. Weekend field exercises at Fort Sill, Okla., Fort Bragg, N.C., and Indiantown Gap, Pa. by Marine Reserve artillery units are examples. This forthcoming annual field training period the 2d Battalion, 14th Marines, a reserve artillery battalion in Dallas, Tex., is scheduled to train at Fort Sill, Okla.; the 4th Reconnaissance Battalion from San Antonio and

Corpus Christi is scheduled to train at Camp Bullis, Tex. Additional training in technical fields is necessary. This budget reflects plans to conduct additional drills at home training sites for training individuals in hard skills, in both our aviation and ground units.

By the end of fiscal year 1965 a system of automatic requisitioning and delivery for all Marine Corps furnished supplies and equipment required to mount out our 4th Division/Wing Team for combat will be in effect. We have some problems in compatibility of equipment particularly in the Wing. We have them identified and are working on them. However, even today if called upon to mobilize, as our units proceed to their station of initial assignment, effective combat equipment would be shipped simultaneously.

Overall we are in good shape, but I believe we can improve our readiness under the 1965 program presented here. There are some problem areas. There is a shortage of personnel with prior active service, particularly staff noncommissioned officers, in our drill pay units. We are seeking solutions. Legislation authorizing a Reserve reenlistment and participation payment to these individuals would help.

As I stated last year, it is a big challenge to me and to all those affiliated with the Reserve to insure that our program measures up to the capabilities of the individual reservist. These are competent young men of high caliber. To fail to exercise their full capabilities would be a disservice both to them and to the Marine Corps.

Still another area in which I look for improvement is the more effective use of the limited training time available to us. A reservist's training year is only 39 days. This is not much time to do what must be done. We must see to it that they get 39 full days of effective training.

The fiscal year 1965 budget estimates submitted to you reflect no significant changes from the current-year plans. The 6-month program will continue to be the primary source of enlisted men in Reserve units. As in 1964, about 27 percent of the total budget estimate is related to costs of this program. The same amount of individual training is planned and I'm pleased to report that an increased number of junior officers are showing an interest in retaining their proficiency. The percentage of drill pay reservists attending drills and annual field training is expected to remain high next year. Fiscal year 1965 will be the first year to reflect the full impact of the recently enacted legislation increasing the pay of service personnel. This is the basic reason for the increase over the current year in new obligational authority requested.

The decrease in request for funds for Reserve officer candidates is related to a reduction in the number of officers planned to be commissioned from the platoon leaders class program during fiscal year 1966.

As in the past, we intend to continue our search for ways to improve the Marine Corps Reserve program through increased efficiency and economy.

I shall be happy to answer any questions about our program you may have.

Mr. MAHON. Gentlemen, we are pleased to have you before us. I think you know that this committee and the Members of Congress generally—and I might say the country, generally—has a great deal of respect and admiration for the Marine Corps. You are a relatively

small and compact organization, and I am convinced you do a good job. I have no criticism to offer. I agree with you that you can improve what you are doing. I think that is one thing that has made the Marines so great. You have striven through the years to improve. We would like to devote our time and energy to places where we feel we might be able to make a contribution.

I am not so sure there is anything we might do in this room to be of special assistance to you. Usually we give the Marines the money that is requested in the budget, though I don't know what we will do this year. We certainly will be favorably inclined when we review your requirements.

#### JUSTIFICATION OF THE ESTIMATES

I think we ought to insert at this point in the record pages 1 through 4 of the justification, as well as pages 14A through 50, inclusive, and in connection with the Reserve request, justified by General Van Stockum, I think we should insert pages 1 through 3 of the justification.

(The justification pages previously referred to are as follows:)

#### MILITARY PERSONNEL, MARINE CORPS

##### *Appropriation introduction*

[In thousands]

	1963 actual	1964 estimate	1965 estimate
Total direct obligations.....	\$664,740	\$725,600	\$747,000
Proposed supplemental.....	0	47,000	0
Net adjustments.....	211	0	0
Appropriation.....	<sup>1</sup> 664,951	678,600	747,000

<sup>1</sup> Composed of: Original appropriation (Public Law 87-577) \$661,200; supplemental for congressional approved increases in basic allowance for quarters and reserve readjustment pay, +\$6,700; transfer to "Family housing, Defense," -\$4,691; transfer from "Emergency fund, Defense," +\$1,742.

A. The purpose of this appropriation is to provide the funds for the pay and allowance, subsistence in kind, travel and transportation costs related to permanent changes of station, and other personnel costs, as authorized by law and regulations, for marines on active duty with the regular establishment.

B. The personnel programs for fiscal years 1963, 1964, and 1965 are summarized in the following table:

	1963 actual		1964 estimate			1965 estimate		
	Begin	Average	Begin	End	Average	Begin	End	Average
Officers.....	16,861	16,821	16,737	16,831	16,942	16,831	17,340	17,086
Enlisted.....	173,615	173,080	172,541	172,781	172,655	172,781	172,380	172,580
Cadets.....	486	468	405	388	403	388	340	364
Total.....	190,962	190,369	189,683	190,000	190,000	190,000	190,060	190,030

#### *Report on program administration*

A. The 1963 Appropriation Act (Public Law 87-577) provided \$661,200,000 for a U.S. Marine Corps relatively level strength of 190,000. Pursuant to congressional authority \$4,691,000 was transferred to the "Military family housing, Defense" account during the second quarter of the fiscal year. The enactment of Public Law 87-531 providing increased basic allowance for quarters effective for the last half of fiscal year 1963 and the enactment of Public Law 87-509 providing increased Reserve readjustment pay was followed by congressional

approval of the supplemental appropriation request for \$6,700,000 (Public Law 88-25) to fund for that legislation.

In addition, the Cuban crisis resulted in further costs. While the specific additional costs cannot be readily positively identified due to the complex nature of military personnel costs it was estimated that of the approximate additional cost of about \$3.3 million, about one-half could be absorbed within funds made available through personnel actions within the appropriation. Accordingly, the appropriation was augmented by transfer of \$1,742,000 by the Secretary of Defense based on authority contained in Public Law 87-577.

B. The 1964 appropriation provides \$678,600,000 for an end and average strength of 190,000. The recently enacted military pay legislation (Public Law 88-132) is the basis for supplemental budget request. The effects of the pay raise have been incorporated in the budget detail.

*Major program and funding considerations for 1965*

A. The U.S. Marine Corps approved active duty strength for fiscal year 1965 remains at approximately the 1964 level. Specifically, the 1965 personnel plan increases by 30 man-years and the end strength by 60 personnel over the 1964 plan.

B. The end officer ratio was 8.82 percent in 1963. The 1964 and 1965 planned officer strength will result in percentages of 8.86 and 9.12 percent, respectively.

C. The end noncommissioned officer ratio, which was 39.4 percent in 1963 levels off at 40 percent at end year 1964 and 1965.

D. End year 1965 proficiency pay awards are planned for 7,697 personnel, or 4.47 percent of the enlisted end year strength of 172,380.

E. The estimates for 1964 and 1965 as shown in the detail reflect the effects of the military pay raise legislation recently enacted by the Congress as contained in Public Law 88-132. The rates shown in the 1964 fiscal year column are a composite of 3 months at the previous rates (generally those contained in the 1958 amendment to the Career Compensation Act of 1949) and 9 months at the new rate. The 1965 column is based on the new rates for the full 12 months.

JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1965

*Summary of obligations*

[In thousands]

Budget activity No.	Budget activity	1963 actual	1964 estimate	1965 estimate	Difference, 1965 compared with 1964
1	Pay and allowances of officers .....	\$133,326	\$152,100	\$157,800	+\$5,700
2	Pay and allowances of enlisted personnel.....	423,321	463,500	478,900	+15,400
3	Pay and allowances of cadets.....	1,244	1,100	1,000	-100
4	Subsistence of enlisted personnel.....	66,312	64,700	65,200	+500
5	Permanent change of station travel.....	39,977	43,500	43,300	-200
6	Other military personnel costs.....	560	700	800	+100
	Total direct obligations.....	664,740	725,600	747,000	+21,400
	(Appropriated).....		(678,600)		
	(Proposed supplemental).....		(47,000)		

*Activity 1. Pay and allowances of officers*

SUMMARY BY PROJECTS

Project	1963 actual	1964 estimate	1965 estimate	Difference 1965 compared with 1964
A. Basic pay .....	\$93,901	\$107,572	\$112,971	+\$5,399
B. Incentive pay .....	10,775	10,858	11,033	+175
C. Special pay .....	13	112	135	+23
D. Basic Allowance for quarters.....	13,333	15,356	15,456	+100
E. Basic allowance for subsistence.....	9,674	9,734	9,817	+83
F. Station allowances, overseas.....	615	621	624	+3
G. Uniform allowances.....	319	486	576	+90
H. Separation payments.....	2,161	3,779	3,462	-317
I. Social security tax, employer's contribution.....	2,535	2,936	2,848	-88
J. Family separation allowance.....	0	646	878	+232
Total.....	133,326	152,100	157,800	+5,700

## Activity 1. Pay and allowances of officers—Continued

## SUMMARY

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount	Number	Average rate	Amount	Number	Amount
A. Basic pay.....	16,942	\$6,349.43	<i>Thousands</i> \$107,572	17,086	\$6,611.90	<i>Thousands</i> \$112,971	+144	+5,399
B. Incentive pay.....	5,143	2,111.22	10,858	5,272	2,092.75	11,135	+129	+175
C. Special pay.....	9,138	811.59	112	138	2,978.26	11,135	0	+23
D. Basic allowances for quarters.....	9,784	1,569.50	15,356	9,863	1,567.07	15,456	+79	+100
E. Basic allowances for subsistence.....	16,942	574.56	9,734	17,086	574.56	9,817	+144	+83
F. Station allowances, overseas.....			621			624		+3
G. Uniform allowances.....	3,357	144.77	486	3,950	146.94	576	+563	+90
H. Separation payments.....	2,501	1,511.00	3,779	2,422	1,438.81	3,462	+78	+317
I. Social security tax, employer's contribution.....	16,942	173.30	2,936	17,086	166.60	2,848	+144	+88
J. Family separation allowance.....	2,388	270.00	646	2,439	360.00	878	+41	+232
Total.....			152,100			157,800		+5,700

## Activity 1. Pay and allowances of officers—Continued

## SUMMARY—Continued

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount Thousands	Number	Average rate	Amount Thousands	Number	Amount Thousands
<b>A. Basic pay:</b>								
<b>General</b>								
Lieutenant general.....	1	\$23,000.00	\$23	1	\$24,000.00	\$24	0	+\$1
Major general.....	5	18,600.00	93	5	19,000.00	95	0	+2
Brigadier general.....	23	16,826.09	387	24	17,041.67	409	+1	+22
Colonel.....	32	14,625.00	468	31	14,806.45	459	-1	-9
Lieutenant colonel.....	607	11,382.45	7,243	612	12,187.91	7,459	+5	+216
Major.....	1,411	10,056.70	14,190	1,411	10,422.40	14,706	0	+516
Captain.....	2,509	8,307.69	20,844	2,549	8,668.50	22,096	+40	+1,252
1st lieutenant.....	3,105	6,687.28	20,764	2,889	7,014.88	20,266	-216	-498
2d lieutenant.....	4,261	4,879.61	20,792	4,389	5,207.79	22,857	+128	+2,065
Total, commissioned.....	2,455	3,158.04	7,753	2,606	3,430.55	8,940	+151	+1,187
Total, commissioned.....	14,409	6,423.55	92,557	14,517	6,703.24	97,311	+108	+4,754
<b>With enlisted service:</b>								
Captain.....	886	7,421.05	6,204	795	7,764.78	6,173	-41	-31
1st lieutenant.....	215	5,030.23	1,275	215	6,302.33	1,355	0	+80
2d lieutenant.....	64	4,859.38	311	65	5,276.92	343	+1	+32
Total, commissioned with enlisted service.....	1,115	6,986.55	7,790	1,075	7,321.86	7,871	-40	+81
<b>W-4.....</b>	80	7,662.50	613	75	7,986.67	599	-5	-14
<b>W-3.....</b>	109	6,422.02	700	127	6,685.04	849	+140	+140
<b>W-2.....</b>	475	5,254.74	2,496	643	5,261.58	3,383	+168	+887
<b>W-1.....</b>	754	4,590.50	3,416	649	4,557.78	2,958	-105	-458
<b>Total, warrants.....</b>	1,418	5,095.20	7,225	1,494	5,213.52	7,789	+76	+564
<b>Total, officers.....</b>	16,942	6,349.43	107,572	17,086	6,611.90	112,971	-----	+5,399
<b>B. Incentive pay:</b>								
<b>(1) Flying duty:</b>								
<b>Crew members:</b>								
Lieutenant general.....	2	1,980.00	4	2	1,980.00	4	0	0
Major general.....	8	1,980.00	16	8	1,980.00	16	0	0
Brigadier general.....	10	1,920.00	19	11	1,920.00	21	+1	+2
Colonel.....	188	2,940.00	553	189	2,940.00	556	+1	+3
Lieutenant colonel.....	396	2,940.00	1,164	356	2,940.00	1,047	-40	-117
Major.....	629	2,810.52	1,768	734	2,806.27	2,060	+105	+282
Captain.....	1,606	2,283.36	3,667	1,624	2,266.06	3,433	-82	-214

1st lieutenant.....	1,230	1,766.64	2,173	1,269	1,768.55	2,227	1,200	1,54
2d lieutenant.....	669	1,355.64	907	804	1,355.72	1,091	+135	+184
Total, commissioned.....	4,738	2,167.79	10,271	4,887	2,143.44	10,475	+149	+204
CWO and WO.....	211	1,538.57	329	235	1,538.09	359	+24	+30
Total, crew members.....	4,949	2,141.85	10,600	5,122	2,155.19	10,834	+173	+234
(6) Noncrew members.....	82	1,320.00	108	52	1,320.00	69	-30	-39
(2) Submarine duty.....	3	1,940.00	6	3	1,797.11	5	0	-1
(4) Parachute jumping pay.....	69	1,320.00	91	50	1,320.00	66	-19	-25
(7) Demolition duty.....	40	1,320.00	53	45	1,320.00	59	+5	+6
Total.....	5,143	2,111.22	10,858	5,272	2,092.75	11,033	+129	+175
C. Special pay:								
(1) General officer personal allowance:	1	4,000.00	4	1	4,000.00	4	0	0
General (CMC).....	5	500.00	3	5	500.00	3	0	0
Lieutenant general.....								
Total.....	6	1,083.33	7	6	1,083.33	7	0	0
(2) Diving duty pay.....	61	1,147.54	70	61	1,320.00	81	0	+11
(3) Hostile fire pay.....	71	492.96	35	71	661.97	47	0	+12
Total.....	138	811.59	112	138	978.26	135	0	+23
D. Basic allowance for quarters:								
(1) With dependents:	0	0	0	0	0	0	0	0
General.....	0	0	0	0	0	0	0	0
Lieutenant general.....	14	2,412.00	34	14	2,412.00	34	0	0
Major general.....	15	2,412.00	36	19	2,412.00	46	+4	+10
Brigadier general.....	382	2,041.20	780	390	2,041.20	796	+8	+16
Colonel.....	991	1,890.00	1,873	976	1,890.00	1,845	-15	-28
Lieutenant colonel.....	1,861	1,740.60	2,891	1,778	1,740.60	3,095	+117	+204
Major.....	2,662	1,560.60	4,154	2,262	1,560.60	3,530	-400	-624
Captain.....	2,051	1,440.00	2,953	2,155	1,440.00	3,103	+104	+150
1st lieutenant.....	375	1,321.20	495	584	1,321.20	772	+209	+277
2d lieutenant.....								
Total, commissioned.....	8,151	1,621.40	13,216	8,178	1,616.65	13,221	+27	+5
W-4.....	56	1,740.60	97	58	1,740.60	101	+2	+4
W-3.....	66	1,560.60	102	84	1,560.60	131	+18	+29
W-2.....	404	1,440.00	582	563	1,440.00	811	+159	+229
W-1.....	507	1,321.20	670	380	1,321.20	502	-127	-168
Total, warrants.....	1,033	1,404.65	1,451	1,085	1,423.95	1,545	+52	+94
Total, with dependents.....	9,184	1,597.02	14,667	9,263	1,594.08	14,766	+79	+99

2025 RELEASE UNDER E.O. 14176

*Activity 1. Pay and allowances of officers—Continued*  
SUMMARY—Continued

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount <i>Thousands</i>	Number	Average rate	Amount <i>Thousands</i>	Number	Amount <i>Thousands</i>
D. Basic allowance for quarters—Continued								
(2) Without dependents:								
Colonel.....	2	1,681.20	\$3	2	1,681.20	0	0	0
Lieutenant colonel.....	12	1,562.40	19	12	1,562.40	0	0	0
Major.....	15	1,440.00	22	15	1,440.00	0	0	0
Captain.....	73	1,260.00	92	73	1,260.00	0	0	0
1st lieutenant.....	358	1,141.20	409	358	1,141.20	0	0	0
2d lieutenant.....	132	1,022.40	135	132	1,022.40	0	0	0
W-4.....	2	1,440.00	3	2	1,440.00	0	0	0
W-3.....	0	0	0	0	0	0	0	0
W-2.....	4	1,141.20	4	4	1,141.20	0	0	0
W-1.....	1	1,022.40	2	2	1,022.40	0	0	+81
Total, without dependents.....	600	1,148.33	689	600	1,150.00	0	0	+1
(3) Substandard family housing.....	0	0	0	0	0	0	0	0
E. Basic allowance for subsistence.....	16,942	574.56	9,734	17,085	574.56	9,817	+144	+83
F. Station allowances, overseas:								
(1) Cost of living.....	170	635.29	108	170	652.94	111	0	+3
(2) Housing.....	569	462.21	263	569	462.21	263	0	0
(3) Temporary lodging.....	762	328.03	250	762	328.08	250	0	0
Total.....			621			624		+3
G. Uniform allowances:								
(1) Initial:								
Appointment from aviation cadet.....	0	0	0	0	0	0	0	0
NROT and ROTC.....	126	200.00	25	115	200.00	23	-11	-2
Direct procurement by transfer from other services.....	10	200.00	2	10	200.00	2	0	0
Direct procurement from Marine Corps or Marine Corps Reserve enlisted status.....	64	100.00	6	45	100.00	5	-19	-1
Procurement from civil life.....	1,368	200.00	274	1,700	200.00	340	+332	+66
(2) Additional:								
Appointment from aviation cadet.....	221	100.00	22	180	100.00	18	-41	-4
NROT and ROTC.....	126	100.00	13	115	100.00	12	-11	-1
Direct procurement by transfer from other services.....	10	100.00	1	10	100.00	1	0	0
Direct procurement from Marine Corps or Marine Corps Reserve enlisted status.....	64	100.00	6	45	100.00	5	-19	-1
Procurement from civil life.....	1,368	100.00	137	1,700	100.00	170	+332	+83
Total.....	3,357	144.77	486	3,920	146.94	576	+563	+90

<b>H. Separation payments:</b>										
<b>(1) Lump sum terminal leave payments:</b>										
Basic pay.....	733.24	1,652	2,145	735.66	1,578	-108	-74			
Subsistence allowance.....	68.59	1,192	(2,145)	61.07	1,311	-108	-1			
Quarters allowance.....	144.35	380	(2,145)	137.11	337	-108	-13			
Subtotal.....	947.18	2,134	2,145	933.85	2,046	-108	-88			
<b>(2) Lump sum readjustment payments</b>										
Lieutenant colonel.....	0	0	2	15,000.00	30	+2	+30			
Major.....	9	135	5	13,000.00	75	-4	-60			
Captain.....	30	450	15	12,000.00	180	-15	-270			
1st lieutenant.....	40	186	40	4,700.00	188	0	+2			
Subtotal.....	79	771	62	7,623.03	473	-17	-298			
<b>(3) Lump sum payments (Public Law 86-155):</b>										
Colonel.....	40	80	70	2,000.00	140	+30	+60			
Lieutenant colonel.....	67	134	89	2,000.00	178	+22	+44			
Subtotal.....	107	214	159	2,000.00	318	+52	+104			
<b>(4) Severance pay, failure of promotion:</b>										
Major.....	0	0	0	0	0	0	0			
Captain.....	25	375	32	15,000.00	480	+7	+105			
1st lieutenant.....	19	89	7	5,142.86	36	-12	-53			
Subtotal.....	44	464	39	13,230.08	516	-5	+52			
<b>(5) Severance pay, disability:</b>										
Major.....	2	36	0	0	0	-2	-36			
Captain.....	8	122	3	15,333.33	46	-5	-76			
1st lieutenant.....	8	38	10	5,200.00	52	+2	+14			
2d lieutenant.....	0	0	5	2,200.00	11	+5	+11			
Subtotal.....	18	196	18	6,055.56	109	0	-87			
<b>Total, separation payments.....</b>										
	2,501	3,779	2,423	1,428.81	3,462	-78	-317			
<b>L. Social security tax: Employer's contribution.....</b>										
	16,942	2,936	17,086	1,066.69	2,848	+144	-88			
<b>J. Family separation allowance:</b>										
(1) On permanent change of station with dependents not authorized.....	1,493	403	1,542	360.00	555	+49	+152			
(2) On board ship for more than 30 days.....	125	34	123	360.00	44	-2	+10			
(3) On temporary duty for more than 30 days with dependents not residing near temporary duty station.....	770	209	774	360.00	279	+4	+70			
Total.....	2,388	646	2,439	360.00	878	+51	+232			

## Activity 2. Pay and allowances of enlisted personnel

## SUMMARY, BY PROJECTS

Project	1963 actual	1964 estimate	1965 estimate	Difference, 1965 compared with 1964
(a) Basic pay.....	\$310,199	\$337,339	\$351,734	+\$14,395
(b) Incentive pay.....	1,992	2,250	2,238	-12
(c) Special pay.....	6,680	5,084	4,740	-344
(d) Proficiency pay.....	5,283	4,490	5,750	+1,260
(e) Reenlistment bonus.....	7,369	9,023	9,590	+567
(f) Basic allowance for quarters.....	55,968	61,319	61,923	+604
(g) Station allowances, overseas.....	1,076	1,160	1,212	+52
(h) Clothing allowances.....	15,855	18,540	16,977	-1,563
(i) Separation payments.....	8,430	9,840	8,908	-932
(j) Social security tax—employer's contribution.....	10,469	12,187	12,681	+494
(k) Family separation allowance.....	0	2,268	3,147	+879
<b>Total.....</b>	<b>423,321</b>	<b>463,500</b>	<b>478,900</b>	<b>+15,400</b>

*Activity 2. Pay and allowances of enlisted personnel—Continued*  
SUMMARY

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount	Number	Average rate	Amount	Number	Amount
(a) Basic pay.....	172,655	\$1,953.83	\$337,339	172,580	\$2,038.78	\$351,734	-75	+\$14,395
(b) Incentive pay.....	2,600	865.88	2,250	2,603	859.78	2,238	+3	-12
(c) Special pay.....	35,793	142.04	5,084	32,676	145.06	4,740	-317	-344
(d) Proficiency pay.....	8,223	546.03	4,490	7,697	747.04	5,750	-526	+1,260
(e) Reenlistment bonus.....	11,014	757.34	9,023	12,040	796.51	9,590	+126	+567
(f) Basic allowance for quarters.....	55,795	1,099.01	61,310	56,270	1,100.46	61,923	+475	+604
(g) Station allowances, overseas.....			1,160			1,212		+52
(h) Clothing allowances.....	205,374	90.27	18,540	199,395	85.14	16,977	-5,979	-1,563
(i) Separation payments.....	50,088	196.45	9,840	43,829	204.65	8,908	-6,559	-932
(j) Social security tax—Employer's contribution.....	172,345	70.63	12,187	172,470	73.63	12,681	-75	+494
(k) Family separation allowance.....	6,300	360.00	2,268	8,744	360.00	3,147	+2,444	+879
Total, activity.....			463,300			478,900		+15,400



D. Proficiency pay:									
P-1	2,795	360.00	1,006		0	0	0	-2,795	-1,006
P-1	1,225	300.00	1,009		2,515	600.00	0	+533	+500
P-1 (SP)	1,481	360.00	67		0	0	0	-225	-67
P-1 (SP)	1,451	360.00	533		1,667	360.00	0	+86	+400
P-2	400	720.00	288		0	0	0	-400	-288
P-2	1,269	900.00	1,142		1,922	900.00	0	+588	+588
P-3	371	1,200.00	445		1,593	1,200.00	1,911	+1,222	+1,466
Total	8,223	546.03	4,490		7,697	747.04	5,750	-626	+1,260
E. Reenlistment bonus:									
E-9	35	399.02	14		32	407.46	13	-8	-1
E-8	354	373.40	132		288	388.25	112	-66	-20
E-7	1,496	618.78	776		1,180	533.39	629	-316	-147
E-6	1,952	769.12	1,501		1,900	783.80	1,489	-52	-12
E-5	3,061	836.60	2,887		3,128	854.81	2,674	+67	+113
E-4	296	875.97	2,857		3,858	912.02	3,519	+632	+632
E-3	330	697.41	224		1,247	735.43	917	-13	-11
E-2	390	573.22	224		395	590.28	233	+5	+9
E-1	0	0	0		12	318.00	4	+12	+4
Total	11,914	757.34	9,023		12,040	796.51	9,590	+126	+567
F. Basic allowance for quarters:									
(1) With dependents:									
E-9	589	1,440.00	776		546	1,440.00	786	+7	+10
E-8	1,747	1,440.00	2,516		1,845	1,440.00	2,657	+96	+141
E-7	4,943	1,378.80	6,815		4,847	1,378.80	6,683	-96	-132
E-6	8,220	1,321.20	10,860		8,462	1,321.20	11,180	+242	+320
E-5	11,074	1,260.00	13,953		11,705	1,260.00	14,748	+631	+795
E-4 over 4 years	8,383	1,260.00	10,583		8,006	1,260.00	10,088	-377	-475
E-4 under 4 years	3,283	1,020.76	3,351		3,128	1,020.76	3,193	+65	+58
E-3	8,010	815.61	6,531		8,170	815.61	6,664	+155	+131
E-2	3,817	776.22	2,993		3,689	776.22	3,019	+65	+55
E-1	1,468	791.53	1,154		1,340	791.53	1,061	+72	+83
Subtotal	51,474	1,155.61	59,484		51,938	1,156.74	60,079	+464	+595
(2) Without dependents:									
E-9	0	0	0		0	0	0	0	0
E-8	12	1,022.40	12		12	1,022.40	12	0	0
E-7	151	900.00	136		152	900.00	137	+1	+1
E-6	195	842.40	164		197	842.40	166	+2	+2
E-5	261	842.40	220		263	842.40	222	+2	+2
E-4 over 4 years	109	842.40	92		110	842.40	68	+1	+1
E-4 under 4 years	134	692.40	134		133	692.40	89	0	0
E-3	246	662.40	183		248	662.40	164	+2	+2
E-2	197	662.40	130		199	662.40	132	+2	+2
E-1	0	0	0		0	0	0	0	0
Subtotal	1,305	770.88	1,006		1,316	771.28	1,015	+11	+9

## Activity 2. Pay and allowances of enlisted personnel—Continued

## SUMMARY—Continued

	1964 estimate				1965 estimate				Difference	
	Percent in grade	Number	Average rate	Amount	Percent in grade	Number	Average rate	Amount	Number	Amount
<b>F. Basic allowances for quarters—Continued</b>										
(3) Substandard family housing.....		3, 016	\$274. 79	\$829		3, 016	\$274. 79	\$829	0	0
Total basic allowance for quarters.....		55, 795	1, 099. 01	61, 319		56, 270	1, 100. 46	61, 923	+ 475	+ \$604
<b>G. Station allowances, overseas:</b>										
(1) Cost of living.....		264	295. 45	78		264	492. 42	130	0	+ 62
(2) Housing.....		1, 659	266. 43	442		1, 659	266. 43	442	0	0
(3) Temporary lodging.....		1, 900	366. 84	640		1, 900	336. 84	640	0	0
Total station allowances.....				1, 160				1, 212		+ 52
<b>H. Clothing allowances:</b>										
(1) Initial:										
(a) Military:										
New recruits, male.....		37, 990	199. 45	7, 577		30, 947	199. 45	6, 172	- 7, 043	- 1, 405
Broken reenlistments, non-obligors.....		600	199. 45	120		400	199. 45	80	- 200	- 40
Broken reenlistments, obligors.....		600	77. 93	47		400	77. 93	31	- 200	- 16
New recruits, female.....		1, 040	297. 95	310		1, 040	297. 95	310	0	0
Officer candidates.....		518	136. 73	71		882	136. 73	121	+ 364	+ 50
Officer candidates (failures).....		172	199. 45	34		294	199. 45	59	+ 122	+ 25
Reserves to EAD.....		180	199. 45	36		180	199. 45	36	0	0
Subtotal.....		41, 100	199. 39	8, 195		34, 143	199. 43	6, 809	- 6, 987	- 1, 386
(b) Civilian.....		113	235. 40	27		83	235. 40	20	- 30	- 7
Total initial allowance.....		41, 213	199. 50	8, 222		34, 226	199. 53	6, 829	- 6, 987	- 1, 393
(2) Basic maintenance.....		66, 564	50. 40	3, 355		77, 774	50. 40	3, 920	+ 11, 210	+ 565
(3) Standard maintenance.....		88, 274	72. 00	6, 356		78, 055	72. 00	5, 620	- 10, 219	- 736
(a) Civilian maintenance.....		75	86. 40	7		75	86. 40	7	0	0
Total maintenance.....		154, 913	62. 73	9, 718		155, 904	61. 24	9, 547	+ 991	- 171



## Activity 3. Pay and allowances of cadets

## SUMMARY BY PROJECTS

Project	1963 actual	1964 estimate	1965 estimate	Difference, 1965 com- pared with 1964
<b>A. Aviation cadets:</b>				
(1) Basic pay.....	\$625	\$538	\$486	-\$52
(2) Basic allowance for quarters.....	9	8	7	-1
(3) Basic allowance for subsistence.....	269	232	209	-23
(4) Incentive pay.....	220	190	170	-20
(5) Clothing allowance:				
(a) Initial.....	84	98	98	0
(b) Maintenance.....	16	14	12	-2
(6) Separation payments:				
(a) Lump-sum terminal leave payments.....	0	0	0	0
(b) Severance payments disability.....	0	0	0	0
(7) Social security tax—Employers contribution.....	21	20	18	-2
<b>Total.....</b>	<b>1,244</b>	<b>1,100</b>	<b>1,000</b>	<b>-100</b>

## SUMMARY

	1964 estimate			1965 estimate			Difference	
	Num- ber	Average rate	Amount	Num- ber	Average rate	Amount	Num- ber	Amount
<b>A. Aviation cadets:</b>								
(1) Basic pay.....	403	\$1,333.80	\$538	364	\$1,333.80	\$486	-39	-\$52
(2) Basic allowance for quarters.....	8	997.20	8	7	997.20	7	-1	-1
(3) Basic allowance for subsistence.....	403	574.56	232	364	574.56	209	-39	-23
(4) Incentive pay.....	302	600.00	190	273	600.00	170	-29	-20
(5) Clothing allowance:								
(a) Initial.....	322	305.46	98	322	305.46	98	0	0
(b) Maintenance.....	284	50.40	14	230	50.40	12	-54	-2
(7) Social security tax— Employers contri- bution.....	403	52.11	20	364	52.20	18	-39	-2
<b>Total.....</b>			<b>1,100</b>			<b>1,000</b>		<b>-100</b>

## Activity 4. Subsistence of enlisted personnel

## SUMMARY

Project	1963 actual	1964 estimate	1965 estimate	Difference
A. Basic allowance for subsistence.....	\$22,411	\$23,660	\$23,776	+\$116
B. Subsistence in kind.....	43,901	41,040	41,424	+384
Total.....	66,312	64,700	65,200	+500

## A. BASIC ALLOWANCE FOR SUBSISTENCE

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount	Number	Average rate	Amount	Number	Amount
(1) When authorized to mess separately:								
(a) Conus.....	35,343	\$380.62	\$13,452	35,327	\$383.25	\$13,539	-16	+\$87
(b) Overseas.....	4,368	417.26	1,823	4,366	412.45	1,801	-2	-22
(2) Leave rations.....	9,128	380.62	3,474	9,129	383.25	3,499	+1	+25
(3) When rations in kind not available.....	5,221	940.62	4,911	5,263	938.05	4,937	+42	+26
(4) When assigned under emergency conditions.....	0	0	0	0	0	0	0	0
(5) Augmentation of commuted ration allowance for meals taken separately.....	0	0	0	0	0	0	0	0
Total.....	54,060	437.66	23,660	54,085	439.60	23,776	+25	+116

## B. SUBSISTENCE IN KIND

	1964 estimate	1965 estimate
(1) Personnel statistics:		
(a) Average enlisted strength.....	172,655	172,580
(b) Less number provided for elsewhere (man-year equivalents):		
1. On monetary allowances.....	54,060	54,085
2. Special rations.....		
3. Operational rations (includes the man-years of OpRats purchased in prior years plus man-years to be purchased for current consumption on training at FMF/PAC).....	4,153	4,143
4. Movements.....	3,730	3,400
5. Other (State Department guards).....	800	800
Total, deductions.....	62,743	62,428
(c) Balance entitled to be subsisted in messes.....	109,912	110,152

	1964 estimate			1965 estimate		
	Gross number	Percent absent	Net number	Gross number	Percent absent	Net number
(d) Distribution of C:						
Ashore (ZI).....	67,879	19.8	54,439	69,048	19.8	55,376
Ashore (OS).....	34,292	12.7	29,937	32,906	12.7	28,727
Afloat.....	7,741	6.0	7,277	8,198	6.0	7,706
Total subsisted in messes.....	109,912		91,653	110,152		91,809

## Activity 4. Subsistence of enlisted personnel—Continued

	1964 estimate				1965 estimate			
	Net man-years	Rate		Amount	Net man-years	Rate		Amount
		Per day	Per annum			Per day	Per annum	
(1) Subsistence in messes:								
Ashore (ZI)-----	54,439	\$1.05	\$384.30	\$20,921	55,376	\$1.05	\$383.25	\$21,223
Ashore (OS)-----	29,937	1.10	402.60	12,014	28,727	1.10	401.50	11,564
Afloat-----	7,277	1.23	450.18	3,276	7,706	1.23	448.95	3,460
Total-----	91,653			36,211	91,809			36,247
(2) Special rations:								
(a) Flight rations-----	136	2.10	768.60	105	117	2.10	766.50	90
(b) Hospitals, retired, and Fleet Marine Corps Reserve-----	(102)	1.05	384.30	39	(102)	1.05	383.25	39
Total-----	136			144	117			129

	1964 estimate			1965 estimate		
	Quantity (man-years)	Rate	Amount	Quantity (man-years)	Rate	Amount
(3) Operational rations:						
(a) Safety level (see narrative par. E., p. 8)-----	4,020	\$768.60	\$3,090	4,718	\$766.50	\$3,617
(b) For current consumption, FMF Pac-----	1,239	768.60	952	1,243	1919.80	1,143
Total-----			4,042			4,760
(4) Augmentation rations-----	None	None	None	None	None	None
(5) Change in inventory level-----	None	None	None	None	None	None
(6) Other programs:						
(a) Fuel, compressed, trioxane (field cookers)-----			245			290
(b) Rotation of B ration items-----			247			247
(c) Integration of new food items (dehydrated vegetables and juices)-----			151			151
(d) Prefab meat versus carcass-----						-400
Total, subsistence in kind-----			41,040			41,424

\* 1965 rate includes fuel compressed trioxane; supply on hand adequate for fiscal year 1964.

## Activity 5. Permanent change of station travel

Project	1963 actual	1964 estimate	1965 estimate	Difference
A. Accession travel-----	\$5,148	\$6,109	\$5,968	-\$141
B. Training travel-----	1,318	1,486	1,439	-47
C. Operational travel between duty stations-----	5,164	4,945	5,024	+79
D. Rotational travel to and from overseas-----	22,834	24,047	24,902	+855
E. Separation travel-----	5,513	6,913	5,967	-946
Total-----	39,977	43,500	43,300	-200

## Activity 5. Permanent change of station travel—Continued

## A. ACCESSION TRAVEL

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount	Number	Average rate	Amount	Number	Amount
	1. Officers:							
(a) Travel of military members.....	3,399	\$138.28	\$470	4,099	\$140.11	\$574	+700	+\$104
(b) Travel of dependents.....	1,867	90.00	168	2,235	90.00	201	+368	+83
(c) Transportation of household goods.....	2,603	300.00	781	3,117	300.00	935	+514	+164
(d) Dislocation allowance.....	796	110.00	87	1,168	110.00	128	+373	+1
(e) Trailer allowance.....	10	423.00	4	12	423.00	8	+1	+1
(f) Nontemporary storage.....	0	0	10	0	0	30	0	-20
Subtotal.....			1,520			1,873		+353
2. Enlisted: (a) Travel of military members.....	75,777	60.16	4,538	67,854	59.96	4,069	-7,923	-489
3. Marine Aviation Cadets: (a) Travel of military members.....	388	80.08	31	322	80.08	26	-66	-15
Total, accession travel.....			6,109			5,908		-141

Activity 5. Permanent change of station travel—Continued

B. TRAINING TRAVEL

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount	Number	Average rate	Amount	Number	Amount
1. Officers:								
(a) Travel of military members.....	1,273	\$74.37	\$95	1,138	\$70.44	\$80	-135	-\$15
(b) Travel of dependents.....	1,198	135.00	162	1,070	135.00	144	-128	-18
(c) Transportation of household goods.....	1,222	600.00	733	1,092	600.00	655	-130	-78
(d) Dislocation allowance.....	1,198	145.00	174	1,070	145.00	155	-128	-19
(e) Trailer allowance.....	0	0	0	0	0	0	0	0
(f) Nontemporary storage.....	0	0	0	0	0	0	0	0
Subtotal.....			1,164			1,034		-130
2. Enlisted:								
(a) Travel of military members.....	1,575	90.72	143	1,996	90.72	181	+421	+38
(b) Travel of dependents.....	307	96.00	29	390	96.00	37	+83	+8
(c) Transportation of household goods.....	297	335.00	99	380	335.00	127	+83	+28
(d) Dislocation allowance.....	297	108.45	32	380	108.45	41	+83	+9
(e) Trailer allowance.....	10	396.00	4	10	396.00	4	0	0
(f) Nontemporary storage.....	0	0	15	0	0	15	0	0
Subtotal.....			322			405		+83
Total, training travel.....			1,486			1,439		-47

C. OPERATIONAL TRAVEL BETWEEN DUTY STATIONS

1. Officers:								
(a) Travel of military members.....	1,575	\$73.02	\$115	1,433	\$73.02	\$105	-142	-\$10
(b) Travel of dependents.....	983	130.00	128	950	130.00	124	-33	4
(c) Transportation of household goods.....	1,329	497.00	661	1,208	497.00	600	-121	-61
(d) Dislocation allowance.....	973	133.00	129	940	133.00	125	-33	0
(e) Trailer allowance.....	10	423.00	4	10	423.00	4	0	0
(f) Nontemporary storage.....	0	0	20	0	0	20	0	0
Subtotal.....			1,057			978		79



## Activity 5. Permanent change of station travel—Continued

## D. ROTATION TRAVEL TO AND FROM OVERSEAS—Continued

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount	Number	Average rate	Amount	Number	Amount
3. Across sea travel, officers—Continued								
Commercial air:								
(a) Travel of military members.....	18	\$301.72	\$5	27	\$185.19	\$5	+9	0
(b) Travel of dependents.....	54	213.54	12	45	200.00	9	-9	-\$3
Commercial ship:								
(a) Travel of military members.....	44	339.93	15	23	347.83	8	-21	-7
(b) Travel of dependents.....	132	339.93	45	78	384.62	30	-52	-15
Subtotal.....			1,673			1,832		+159
4. Across sea travel, enlisted:								
MSTS:								
(a) Military MSTS.....	1,922	254.42	490	2,170	261.68	568	+248	+78
(b) Commercial MSTS.....	0	0	0	31	357.47	11	+31	+11
(c) Troops.....	42,531	96.00	4,083	42,307	97.33	4,118	-224	+35
(d) Travel of dependents.....	2,568	175.62	451	2,068	179.26	37	-500	-80
(e) Dependents commercial.....	0	0	0	144	225.63	32	+144	+32
(f) Transportation of household goods (Mt's).....	11,800	16.12	190	11,600	17.27	200	-200	+10
(g) Privately owned vehicles.....	1,890	176.77	334	1,600	196.15	314	-280	-20
MATS:								
(a) Travel of military members.....	10,836	149.70	1,622	12,376	152.55	1,888	+1,540	+266
(b) Travel of dependents.....	4,153	98.96	411	3,233	102.41	331	-920	-80
(c) Cargo (excess baggage).....	0	0	188	0	0	202	0	+14
Port handling: (a) HHG and POV's.....	33,996	8.54	280	30,800	8.54	263	-3,884	-27
Commercial air:								
(a) Travel of military members.....	684	236.73	162	682	167.43	111	+46	-51
(b) Travel of dependents.....	164	161.17	26	272	185.06	50	+108	+24
Commercial ship:								
(a) Travel of military members.....	16	282.75	5	22	141.59	3	+6	-2
(b) Travel of dependents.....	42	276.90	12	24	140.00	3	-18	-9
Subtotal.....			8,264			8,405		+201
Total, rotation travel across sea.....			9,937			10,297		+360
Total, rotational travel to and from overseas.....			24,047			24,902		+855



## Activity 6. Other military personnel costs

## SUMMARY

Project	1963 actual	1964 estimate	1965 estimate	Difference
A. Apprehension of military deserters, absentees, and escaped military prisoners.....	\$79	\$100	\$100	0
B. Interest on enlisted personnel deposits.....	91	100	100	0
C. Payment of death gratuities.....	390	500	600	+100
Grand total.....	560	700	800	+100

	1964 estimate			1965 estimate			Difference	
	Number	Average rate	Amount	Number	Average rate	Amount	Number	Amount
A. Apprehension of military deserters, absentees, and escaped military prisoners:								
(1) Travel of guards.....			\$100			\$100		0
B. Interest on enlisted personnel deposits.....			100			100		0
C. Payment of death gratuities:								
(1) Officers.....	55	\$3,000.00	165	53	\$3,000.00	159	-2	-\$6
(2) Enlisted.....	235	1,400.00	329	233	1,866.66	435	-2	+106
(3) MarCads.....	6	1,006.33	6	6	1,026.00	6	0	0
Subtotal.....	296	1,689.19	500	292	2,054.79	600	-4	+100
Total, activity 6.....			700			800		+100

## RESERVE PERSONNEL, MARINE CORPS

## Appropriation introduction

[In thousands]

	1963 actual	1964 estimate	1965 estimate
Total direct obligations.....	\$26,662	\$29,900	\$30,900
Proposed supplemental.....		-1,400	
Net adjustments.....	+138	0	0
Appropriation.....	26,800	28,500	30,900

The mission of the Marine Corps Reserve is to provide trained units and qualified persons for active duty in the Marine Corps in time of war or national emergency and at such other times as the national security requires. Actions to accomplish this objective concern both Reserve personnel and Reserve officer candidates and are manifested in three primary programs: Troop and organization, manpower, and training. The purpose of the appropriation "Reserve personnel, Marine Corps" is to carry out these programs and thus insure an efficient, economical, and balanced Marine Corps Reserve component.

	Groups	Drills	Paid days of active duty for training	1963 actual		1964 estimate		1965 estimate	
				Average	End	Average	End	Average	End
Paid drill training (organized):									
Officers.....	A	48	15	3,082	3,168	3,314	3,200	3,220	3,200
Enlisted.....				36,641	38,835	36,744	38,120	35,894	38,165
Subtotal.....					37,723	41,003	37,058	41,320	39,114
Officers.....	B	24	15	316	314	309	305	305	305
Enlisted.....				218	220	211	230	230	230
Subtotal.....				534	534	520	535	535	535
Officers.....	F	0	90-180	4,403	3,720	4,383	3,645	4,405	3,660
Enlisted.....									
Subtotal.....				4,403	3,720	4,383	3,645	4,405	3,660
Officers.....				3,398	3,482	3,523	3,505	3,525	3,505
Enlisted.....				40,262	42,775	41,338	41,995	40,529	41,995
Total.....				43,660	46,257	44,861	45,500	44,054	45,500
Other paid status subtotal:									
Officers.....	D	0	15	1,315	1,315	1,800	1,800	1,800	1,800
Enlisted.....					300	300	300	300	300
Subtotal.....				1,615	1,615	2,100	2,100	2,100	2,100
Officers.....	E	0	30	530	530	1,330	1,330	1,330	1,330
Enlisted.....									
Subtotal.....				530	530	1,330	1,330	1,330	1,330
Officers.....				1,315	1,315	1,800	1,800	1,800	1,800
Enlisted.....				530	530	1,630	1,630	1,630	1,630
Total.....				1,845	1,845	3,430	3,430	3,430	3,430
Total paid status:									
Officers.....				4,713	4,797	5,323	5,305	5,325	5,305
Enlisted.....				40,792	43,305	42,968	43,625	42,159	43,625
Total.....				45,505	48,102	48,291	48,930	47,484	48,930

	Fiscal year 1963, actual	Fiscal year 1964, estimate	Fiscal year 1965, estimate
School tours:			
(a) Officers-----	(38)	(240)	(240)
Service schools (28 days)-----		20	20
Technical training (30 days)-----	38	70	70
Aviation professional school (14 days)-----		100	100
Retraining schools (30 days)-----		50	50
(b) Enlisted-----	(450)	(945)	(945)
Extended technical training, ground (126 days)-----	40	275	275
Extended technical training, aviation (70 days)-----	239	370	370
Technical refresher (30 days)-----	171	200	200
Formal service school (40 days)-----		100	100
Special tours:			
(a) Officers-----	(877)	(908)	(908)
Commanding officer-I. & I. conferences-----	202	244	244
Pilot proficiency-----	466	210	210
VTU conferences-----	81	114	114
Pre-AFT conferences-----	128	300	300
FMF maneuvers-----		40	40
(b) Enlisted-----	(179)	(445)	(445)
45 days' involuntary training-----	179	445	445

## DECLINE IN MARINE AVIATION CADET PROGRAM

Mr. MAHON. We may have discussed last year, General, an item which I would like to ask about, and that is the reason for the decrease in pay and allowances of aviation cadets. I notice the average in 1963 was 468. In 1964 it dropped to 403 and in 1965 you point out in your statement a further drop to 364 cadets.

Is this brought about by the fact that you have an adequate reservoir of pilots, or what is the answer?

General SIMPSON. It is brought about, sir, by the fact that we are getting a better response from our commissioned officers to go into flight training. We call these student naval aviators. They are commissioned officers to begin with, and then they go to flight training. We were able to phase down the MAR CAD program.

Mr. MAHON. What is the basis for the estimate at page 28 of \_\_\_\_\_ personnel entitled to receive special pay for duty subject to hostile fire?

General SIMPSON. This is the organization assigned to South Vietnam. It is basically a \_\_\_\_\_ with related support personnel. They are flying \_\_\_\_\_ on a daily basis in support of South Vietnam. They have been there since April a year ago.

Mr. MAHON. You don't forecast any other hostile-fire areas for the coming fiscal year?

General SIMPSON. No, sir. At the present moment the only area which meets the criteria for that is South Vietnam, and we know of no others which may occur.

Mr. MAHON. I see. The situation is not very satisfactory in South Vietnam. Do you know of any plan to increase the number of Marines in the area?

General SIMPSON. No, sir; I don't.

Mr. FORD. Would the chairman yield there?

Mr. MAHON. Yes.

Mr. FORD. You are budgeting \_\_\_\_\_ in Vietnam for this hostile-fire pay?

General SIMPSON. Yes, sir.

Mr. FORD. That is \_\_\_\_\_ out of a total strength of what?

General SIMPSON. 190,000, sir.

Mr. FORD. Out of the number you have in Vietnam.

General SIMPSON. Mr. Ford, it is almost all of the people who are down there, because our detachment down there is very small and it includes all the pilots, all the crew members and in fact, some of the additional people who don't actually fly any ——— but make the ground patrols for the security of the area. I don't know the exact figure sir, but it is essentially all the Marines that we have down there. In fact, sir, the determination as to who gets it is made by the commander on the ground, depending on what type duty the man is involved with. So from our standpoint here we assume essentially all of these people will get it. We know the figure won't exceed that. Actually, we will spend less than that, because he will determine on the ground the people entitled to it.

Mr. FORD. The people you have there are what, aviators?

General SIMPSON. Yes, and supporting people, the mechanics and the people let us say, maintaining the aircraft, and also a small security group that protects the little camp which these people are flying from.

#### RESERVE OFFICER CANDIDATES

Mr. MAHON. What is the situation with respect to the numbers of reserve officer candidates? For example, your dollar estimates declined from \$1.3 million in 1964 to \$900,000 for fiscal year 1965.

General VAN STOCKUM. That is a direct reflection of the decreased number of candidates required during this fiscal year, fiscal year 1965.

Mr. MAHON. Why is there a decreased number of cadets required?

General VAN STOCKUM. Perhaps General Simpson could address himself to that more specifically than I could, in that the program is actually sponsored—that is, the PLC program, the MAR CAD program, is sponsored by G-1.

It may be one of the reasons for this is the increase in the number of officers who are actually being commissioned through other programs such as our officer candidate program, where an individual is commissioned directly out of college after he attends a period of preparatory training at Quantico.

General SIMPSON. That is correct.

#### STRENGTH OF MARINE CORPS RESERVE

Mr. MAHON. What is the size, again, of the Marine Reserve?

General VAN STOCKUM. The organized Marine Reserve, Mr. Chairman—that is the paid drill Reserve—is 45,000.

Mr. MAHON. What has been the size of the Reserve for the past 3 or 4 years?

General VAN STOCKUM. For the past 3 years we have been at 45,500, Mr. Chairman, and I believe the year before that, or 3 years ago, we were something like 45,000 even, so we have had a modest increase, since 2 or 3 years ago. At the present time we are holding at a strength of 45,500.

Mr. MAHON. Could you go up to considerably larger Reserve and would that be desirable?

General VAN STOCKUM. We could, Mr. Chairman, and it would be desirable. However, any increase in the Reserve strength, particularly the Organized Reserve strength, in order to maintain the

quality that we have presently, should be a modest incremental increase. That is the way we feel, in the Marine Reserve.

Mr. MAHON. What would be a modest incremental increase?

General VAN STOCKUM. I would say about 2,500 in 1 fiscal year, Mr. Chairman.

Mr. MAHON. Isn't it correct that from time to time you have advocated or someone has advocated in the Marine Corps, a 50,000-man Reserve?

General VAN STOCKUM. Yes, sir.

Mr. MAHON. What is the basis of that particular figure?

General VAN STOCKUM. There are, I think, perhaps three reasons for that figure, Mr. Chairman. That is what we originally requested last year as I expressed in the hearings before this committee. For one thing, it was an incremental step toward an ultimate objective of 59,000 which we have had in the Marine Corps. Also, we have the existing plant facilities, we believe, to handle at the present time up to 59,000. The third reason would be that we have, we feel in the Marine Corps, a mobilization requirement for this figure.

Mr. MAHON. Does this 50,000 figure have any special relationship to the number of people in the active Marine Corps?

General VAN STOCKUM. Yes, it does, Mr. Chairman. In view of the fact that the strength of the Marine Corps Reserve must necessarily relate to the strength of the regular Marine Corps. For example, if the regular Marine Corps is at one figure, we may need a certain number of reserves, say "X" number of Reserves to build up the regular Marine Corps to the manpower requirements for a mobilization. Presumably, then, if the regular Marine Corps increases somewhat, the requirement for the Marine Corps Reserve would perhaps not be so great. We feel that these are tied in, Mr. Chairman.

Mr. MAHON. With the present activity strength, you think it would be desirable to move toward the 50,000 figure?

General VAN STOCKUM. Yes, sir.

Mr. MAHON. Why have you not been able to secure a budget request for these funds? Do the Department of Defense and the Navy feel the requirement is not sufficiently valid to request the funds?

General VAN STOCKUM. Mr. Chairman, the Navy feels that the requirement is valid, and the Secretary of the Navy supported our request, during the early part of the budget process, for an end strength of 48,000 for fiscal year 1965. The Secretary of Defense, of course, who has the overall military posture of the country to consider, Reserve and Regular, decided in his judgment that a requirement existed only for 45,500.

Mr. MAHON. Are there any questions of the Marines?

#### MARINE CORPS OFFICERS UNIFORMS

Mr. FLOOD. One thing I would like to see done—you don't have to express an opinion about it—I believe strongly that all of you on duty in Washington should wear dress blues at all times. I would expect you to be here this morning in dress blues. I would expect the marines every place they appear in public to wear the dress blue all the time, and also the recruiting officers. You are that kind of an outfit, you are a gung-ho outfit—everybody thinks you are—and I don't know why you don't "dress the part," as you used to say in

show business. It is authorized. It is on the rack, there. You all have them. If you don't have them, you should have. And a marine on this kind of duty who does not dress blue, bothers me a little bit.

I expect you would all go back to gloves and swagger sticks and dress blues immediately—and I am not kidding. Now, I don't care what you think; I am telling you what I think. I don't know what the new CO thinks or anything else. I have gone to bat year after year, with the CO who just left, about this. But just so the record shows that, I am going to keep after this at all times.

Also, I would expect when a Marine Corps officer is on public appearance at a public ceremony—I don't care what the others do in the other three services—I expect you to be in dress blues with a saber, as sidearms. If you are at a public gathering place such as Constitution Hall on some ceremonial day, I would expect marines present to wear dress blues and sidearms. I think you are missing a bet. The public will accept this without any question and will be glad to see it.

Mr. ANDREWS. Who would have the authority to direct such an order?

Mr. FLOOD. The CO.

You are missing a bet.

Mr. SIKES. You are right.

Mr. FLOOD. You would be surprised how everybody in this country would think this is all right. This is all right. They would like it. And everybody in Congress would look to it and like it. If you think you would be throwing your weight around, what's wrong with that? Certainly you are. We expect you to do it.

Mr. ANDREWS. You want them to be showmen?

Mr. FLOOD. Well, they are, and they are missing a bet. When a showoff outfit like this doesn't do a good job, this annoys me. They are missing a bet.

#### NAVAL AVIATION OBSERVERS

What is a naval aviation observer? I lost track of them in World War I. Those were the one-wing boys that I used to know. Do we still have one-wing observers?

General SIMPSON. We have them in a little different form, Mr. Flood. We are getting new aircraft, high-performance aircraft that are in the supersonic range that require two people in them. One is the man who is the pilot, and the other is the man who is essentially a radar operator—of course this airplane has a lot of electronic gear in it and this man is a naval aviation observer. He is an observer.

Mr. FLOOD. I thought we ran two pilots in those crates.

General SIMPSON. No, sir; we have one naval aviation observer and one pilot. We don't put two pilots in them.

Mr. FLOOD. Why not?

General SIMPSON. We don't need two.

Mr. FLOOD. If the other fellow does, why don't you? Are you that hot?

General SIMPSON. We only need one, sir.

## MOBILIZATION TIME FOR RESERVE

Mr. FLOOD. I haven't heard of that setup in a long time.

How long will it take you to put a Reserve unit into the line? Do you cannibalize your set Reserve units to beef up other Reserve units, or do you move them in as units?

General VAN STOCKUM. We move them in as units, Mr. Flood.

Mr. FLOOD. How long would it take my automotive outfit to go into the line in case the lid went off?

General VAN STOCKUM. I would say, if required, they could be mobilized within 48 hours.

Mr. FLOOD. I know that. How long would it take before they would be fit for the line?

General VAN STOCKUM. I would say 30 days for embarkation, and they would improve in their capability thereafter. They are doing—they will go, incidentally, to Albany, Ga., this coming summer.

Mr. FLOOD. In Pennsylvania I have the 28th Division. That is the best infantry division in the Guard, in the country. That is one of the four high-priority divisions. It will take the Guard 60 days to put that outfit into the line, and it is a hot outfit. Now, you can put your Reserves into the line in 30 days?

General SIMPSON. Yes.

General VAN STOCKUM. Yes, we can have them ready for deployment within 30 days. I wouldn't want to say that they could fight as well as the existing division/wing teams—

Mr. FLOOD. Don't volunteer. I didn't ask you that.

How long will it take to actually activate the 4th Division and Wing from scratch? And at what strength, to put it into the line, or in reserve. Activate it. Suppose we call it up?

General VAN STOCKUM. Thirty days.

Mr. FLOOD. You can put the 4th in duty in 30 days, with the wing?

General VAN STOCKUM. Yes, sir.

Mr. FLOOD. Will you have enough hardware for the wing?

General VAN STOCKUM. The wing would be short in some aspects regarding the aircraft supplies. They have aircraft that is in some cases completely compatible with the existing aircraft being flown by the regular wing, but they do have, in some cases, you might call the aircraft second line. However, they are still high-performance jets to me, and I think it is a credit to our "Weekend Warriors" that they are able to fly them.

Mr. FLOOD. But they would be operational in 30 days, short a percentage of first-class hardware in the wing?

General VAN STOCKUM. Yes; and there would be a deficiency in the matter of helicopters.

Mr. FLOOD. Choppers?

General VAN STOCKUM. Yes, sir.

Mr. FLOOD. What about the hardware for the other people in the division?

General VAN STOCKUM. The hardware for the other people is either on hand or would be otherwise available. There would be no problem in this regard at all, Mr. Flood.

## INDIANTOWN GAP AS ARTILLERY TRAINING AREA

Mr. FLOOD. What do you know about the Reserve artillery units of the Marines going into Indiantown Gap for firing?

General VAN STOCKUM. They go there quite frequently, Mr. Flood, on weekend drills, as a result of our concept where our Reserve units actually conduct double drills—actually four drills over a weekend. They are received by the Army with open arms, given every cooperation and, actually, it is extremely gratifying to me to see the tremendous spirit of cooperation between the services out in the field.

Mr. FLOOD. I am glad to hear this.

Now, I will tell you what I wish you would do: Have your artillery people who run this show, at this point in the record, insert for me their opinion about the facilities, the ranges, and just exhibit to the fullest extent if they will, their high opinion about Indiantown Gap for training purposes. My reason is, some half-wit G-3 in the Army has taken my 28th division out of the gap because they say it is no good. They have them down here with a lot of fleabitten sand traps in Virginia, and they are out of their minds for giving such an order.

(The information requested follows:)

The 3d Battalion, 14th Marines with its headquarters at Philadelphia and elements at Reading and Trenton, N.J., is the prime user of the Indiantown Gap Military Reservation.

The housing and messing facilities are more than adequate. The area available for artillery firing is limited in size but adequate for our needs. Two restrictions that hamper our use of the range are the closing during the months of November and December because of the hunting season and a limitation on night firing imposed by the FAA. Despite these few shortcomings, Indiantown Gap Military Reservation permits our Reserve artillery units in the area to fire their weapons throughout the year rather than being limited to annual field training.

Mr. FLOOD. I know this is a first-class division.

General VAN STOCKUM. I might say, Mr. Flood, along with other second lieutenants in my group, we trained a month at Indiantown Gap.

Mr. FLOOD. I am trying to find the officer who thought this up. The poor fellow is desperately ill, so I am handcuffed. I can't get a shot at him.

General VAN STOCKUM. It is a good training area, but there are some restrictions about firing medium-heavy artillery.

Mr. FLOOD. Do you have 8-inch howitzers in the Marines?

General VAN STOCKUM. Yes, sir, we do.

Mr. FLOOD. Do you fire them at the gap?

General VAN STOCKUM. No, sir; these are in Texas and Washington, as I recall.

## MISSILES IN MARINE UNITS

Mr. FLOOD. You don't get any missiles at all in the artillery, do you?

General VAN STOCKUM. Yes, sir, we do.

Mr. FLOOD. You don't get HONEST JOHNS?

General VAN STOCKUM. We don't have that in the Marine Corps any more. We do have the HAWK missile, three batteries of them in California.

Mr. FLOOD. Is HAWK phasing out?

General VAN STOCKUM. Not for the present.

Mr. FLOOD. What is the scuttlebutt? It is going to go out, isn't it?

General VAN STOCKUM. Essentially, Mr. Flood, all weapons systems will become obsolete.

Mr. FLOOD. That is the understatement of the year.

General VAN STOCKUM. We have every confidence in the HAWK, and we have the HAWK in reserve to back up and augment the Regular Establishment upon mobilization. Other than that, I couldn't speak with authority.

Mr. FLOOD. I bet you fellows will get a kick out of this. My spies tell me the Army is going to scratch LACROSSE. Do you hear any scuttlebutt on that?

General VAN STOCKUM. I haven't, sir.

Mr. FLOOD. It just appealed to my sense of humor. The Marines wouldn't have any part of it, and the Army spent 3 years telling us what a great pigeon it is, and now they are going to scratch it for the very reason the Marines didn't want it—3 or 4 years later. Well, that is par for the course, I guess.

What is this 39-day business? The rest of the people get more than 39 days. Why don't you get it?

General VAN STOCKUM. That is my own formula, Mr. Flood, and I arrive at that by taking the number of weekend drills that our typical organized unit conducts during the course of a year. That is 12 weekend drills, or 24 days. To that I add 15 days' annual field training, which a unit conducts every summer, and I come up with a minimum of 39 days.

Mr. FLOOD. Don't you rate the same number of paid drills these other outfits get?

General VAN STOCKUM. This is exactly the same number of paid drills, Mr. Flood.

Mr. FLOOD. What are the squawks, skipper, if any, in the past year on clothing, and chow? Is there anything special?

General SIMPSON. Not anything special, Mr. Flood.

Mr. FLOOD. Just routine stuff?

General SIMPSON. Yes, sir.

Mr. FLOOD. How is your discipline?

General SIMPSON. We think it is very good, sir.

Mr. FLOOD. How about your courts-martials, generally? I mean your general courts.

General SIMPSON. They are holding about even, sir.

Mr. FLOOD. Is that good or bad?

General SIMPSON. I think it is a sign we are maintaining standards, Mr. Flood.

Mr. FLOOD. How many special Marine brigs do you get, or do you use Navy stuff?

General SIMPSON. We use a combination of them, sir. We have Marine brigs at places which are pure Marine posts, such as Camp Lejeune and Camp Pendleton. At larger naval installations there will be a combined brig with prisoners being both Navy and Marine Corps, and, of course, as far as Portsmouth is concerned, which is disciplinary for the long-termers, that is total Navy, there.

Mr. FLOOD. How is your health?

General SIMPSON. Excellent.

Mr. MAHON. Mr. Ford.

## REENLISTMENT RATES

Mr. FORD. General, I notice in fiscal year 1964 you haven't attained the reenlistment rate you forecast you would last year at the time of the presentation of the budget.

General SIMPSON. Yes, sir.

Mr. FORD. You have fallen off from 36 or 37 percent to 32 percent or thereabouts.

General SIMPSON. Yes, sir.

Mr. FORD. Is this significant?

General SIMPSON. No, sir, it isn't, Mr. Ford, and since I have prepared this statement, I have gotten more recent data. I was afraid that it was going to be significant, but it has taken an upswing, now, in reenlistment in both the first termers and the second reenlistment and right now it comes along fine. In fact, we may make up this deficit. It has improved dramatically in the last 45 days.

Mr. FORD. May we have in the record the current figures that you just indicated you now have?

General SIMPSON. Yes, sir. The last figure I have indicates a first-term reenlistment rate, right now, going on, at 20 percent.

Mr. FORD. That is substantially higher than your prepared text indicates.

General SIMPSON. That is correct.

Mr. FORD. That is, in fact, a significant improvement.

General SIMPSON. Yes, sir.

I have no way of knowing, sir, whether this will hold for the rest of the year. I am optimistic that it will. If it does, we will make up any deficit we had. These are figures which just became available to me last night.

Mr. FORD. Do you normally have an upswing at this time of the year of this size?

General SIMPSON. Not of this magnitude. What normally happens is, as you get into October—say after the school session starts—and during the wintertime, reenlistment rates do go down, but this year they went a little further down than they have characteristically. What has happened here is for reasons we can't quite determine. It looks like we will pick it back up again and I think we will be all right in reenlistment for this year.

Mr. FORD. Will you insert in the record how you define first-term reenlistments; career reenlistments; just a statement indicating what the criteria is in each instance?

General SIMPSON. Yes, sir. The first-term reenlistment, Mr. Ford, is the man who has enlisted in the Marine Corps for his initial enlistment. This may be 4 years or 3 years. When his enlistment expires, we count him as a first-term reenlistment. In other words, he has finished one.

If he has reenlisted before—in other words, he is in his second or third term, then he is in the career category.

Mr. FORD. Will this upsurge, if it continues, have any impact on your forecast, dollarwise, or otherwise in fiscal year 1965?

General SIMPSON. No, sir. The difference there would not—I don't think it would be significant. It would have some small impact, dollarwise, but I don't think it would be a significant amount, sir.

Mr. FORD. That is all, Mr. Chairman.

## MARINE CORPS OFFICER REQUIREMENTS

Mr. SIKES. I don't think the record is quite clear as to whether there is a change in officer requirements, whether the total number of officers in relation to the total strength of the Marine Corps is changing, or whether this is a temporary situation. This has resulted in a greater officer strength, percentagewise, in this period than previously. Will you clear that up?

General SIMPSON. Yes, sir.

When the Marine Corps increased its strength back in 1962, Mr. Sikes, from 175,000 to 190,000, we could move up that year in terms of enlistments, because you can do this very rapidly by simply going out and getting the people.

Our officer requirements increased at the same time, but you can't move up that fast in terms of officers because there is a long leadtime, and you drop your quality if you try to increase the officer percentage too fast. So what we have been doing, sir, is to move up in gradual stages up toward our requirement. There is no overall change in the requirements. The last significant change was when we changed the structure of the Marine Corps from 175,000 to 190,000.

We knew at that time what we needed for a 190,000 man Marine Corps, we needed 17,500-odd officers. But we couldn't go immediately to that, and what we have been doing is moving up in increments.

Mr. SIKES. Well, you are saying, then, that you have been making do with fewer officers than you needed?

General SIMPSON. That is correct, sir.

Mr. SIKES. But does it follow that since you have demonstrated your ability to do that, you no longer need the additional number of officers?

General SIMPSON. No, sir. We have needed them all along, sir, and we still need them.

Mr. SIKES. Now, for the record, I think you should expand that answer to show why you do.

General SIMPSON. Yes, sir.

(The information requested follows:)

In fiscal year 1961, with the Marine Corps strength at 175,000, the officer strength was 16,200 and the officer percentage was 9.26 percent. As previously indicated, in fiscal year 1962 when the total Marine Corps strength moved to 190,000 the officer strength moved from 16,200 (9.26 percent per 175,000) to 16,700 (8.79 percent per 190,000). Had the Marine Corps maintained the officer strength required by the force structure in this buildup in fiscal year 1962, approximately 1,300 additional newly commissioned officers would have been required in that year for the buildup alone. In addition to the buildup requirement, new officers required to replace those leaving the Marine Corps through voluntary and involuntary sources would have resulted in the Marine Corps sacrificing quality control in procurement of new officers in fiscal year 1962 to meet this goal. Instead, the Marine Corps elected to maintain quality control in procurement of new officers and to build its officer strength in steps or increments to the required 17,595 officers to meet officer requirements within a 190,000 Marine Corps. The orderly buildup was temporarily delayed in fiscal year 1964 when the Marine Corps was permitted only a modest increase in officer strength from 16,700 to 16,831. Consequently, the Marine Corps has had less officers than required for the desired 100 percent officer manning for its combat forces. For example, Marine combat tactical units and combat service support units are now at 92 percent officer manning level. While the Marine Corps could deploy its tactical combat forces at required officer manning levels by removing officers from base and logistical supporting units, as in the case of the recent Cuban crisis,

it could not sustain any lengthy combat deployment or replace the officers taken from the base and logistical supporting units under the current officer authorized strength. Additional officers are, therefore, required to bring the officer-enlisted manning into a more favorable balance and to improve the Marine Corps officer manning levels with a resultant increase in combat readiness.

The 17,340 officers provided in the fiscal year 1965 budget, while still not the total number of officers required under a 190,000 Marine Corps, is a significant step in the orderly buildup of commissioned officer strength. Since 93.7 percent of the 509 officer increase in the fiscal year 1965 budget will be assigned to combat elements—Marine divisions and wings—the Marine Corps combat readiness will therefore be enhanced. This buildup in fiscal year 1965, is therefore, near our optimum officer strength within a total 190,000 Marine Corps and the 100 percent officer manning level. Under current programs, we will attain 17,595 officers, or 9.2 percent in fiscal year 1967.

Mr. SIKES. May I ask this: The chairman touched on this briefly, but I want to know whether there is anything beyond the regularly apparent present-day situation in the reduction in the number of Marine aviation cadets. Do I understand that this does not anticipate a reduction in flight times, number of aircraft, or number of needed aviation personnel, but that you are getting your personnel from another source?

General SIMPSON. That is correct, sir.

Mr. SIKES. There is no reduction in requirement for flight personnel?

General SIMPSON. No, sir. On the contrary, we visualize that over the next 5 years our requirement for officer pilots will increase by 200 over a 5-year period.

Mr. SIKES. Why is that?

General SIMPSON. Because we are getting more helicopters, and the helicopters all require two pilots.

The numbers of aircraft in the Marine Corps will remain essentially the same, but as we phase out some one-place airplanes and replace them with helicopters, this does cause an increase in pilot requirements.

#### TRAINING PROGRAMS FOR RESERVISTS

Mr. SIKES. Now, General Van Stockum, you mentioned the 6 months' training program for enlisted reservists. Does the Marine Corps still adhere to a fixed 6 months' training program, or is this a flexible program which may vary from 4 months to 12 months, as the other services now are using?

General VAN STOCKUM. No exactly, Mr. Sikes. The Marine Corps program is basically the same as it was before, with a floor of 6 months on the training we feel is necessary to prepare a Marine for combat.

However, we are taking advantage of the provisions of the new legislation, which make it possible to conduct what we call extended technical training, where an individual, particularly one being enlisted to fill a hard-skilled billet, can voluntarily extend beyond 6 months to attend a technical school.

We find 70 percent of the men enlisting in the program in aviation units extend beyond the 6 months' period for a varied number of days or weeks, depending upon the skill in which he is being trained.

Mr. SIKES. All right.

Mr. FORD. To follow that up, General, when you say they extend, is it a month extension, 2 months, 6 months? What is the length of a normal extension?

General STOCKUM. I do not have the figures on the average, but they extend long enough to undertake the instruction, to undertake the course of instruction which will train them in the hard skill for which they are enlisted.

Mr. FORD. They all go 6 months. In the Army, they can go as short a time as 4 months?

General STOCKUM. Our program still holds at a minimum of 6 months. I think perhaps the average figure would be between 70 and 120 days for those who do extend beyond the 6-month period. This is on a volunteer basis. Of course, they have to make their determination when they are initially enlisted in the 6 months program.

Mr. FORD. Does that make any difference in their total service? It does not cut back their 6-year obligation?

General STOCKUM. No, sir. This period is actually performed within the overall 6-year period of obligation which starts when the individual enlists in the Reserve and ends 6 years after that period of time.

#### TURNOVER RATE IN RESERVE

Mr. FORD. What is your turnover in the Reserve, General?

General STOCKUM. Rather than give you an approximation, Mr. Ford, I would like to provide that for the record to give you the exact figure.

I would estimate perhaps 35 percent within organized units.

Mr. FORD. Is that high or low, better or worse than what you had before?

General STOCKUM. It is about the same. We do not consider this as an area of concern to us.

(The information referred to follows:)

#### *Turnover rate, Organized Marine Corps Reserve, fiscal year 1963*

The personnel turnover rate in the Organized Marine Corps Reserve during fiscal year 1963 was 34.5 percent.

#### UNOBLIGATED BALANCES, JUNE 30, 1963

Mr. FORD. Did the Marine Corps have any unobligated balance at the end of fiscal year 1963 in this account, or in either of these two accounts?

Mr. WRIGHT. A very small unobligated balance in both accounts.

Mr. FORD. Could you put in the record what the amount was for fiscal year 1963 in both instances?

Mr. WRIGHT. Yes.

(The information referred to follows:)

#### *Unobligated amount*

Military personnel, Marine Corps.....	\$211, 000
Reserve personnel, Marine Corps.....	138, 000

Mr. FORD. What are you forecasting for fiscal year 1964 in both accounts?

Mr. WRIGHT. We will require a supplemental appropriation in connection with the pay bill.

Mr. FORD. About how much?

Mr. WRIGHT. It will be approximately \$47 million in the pay appropriation, Military personnel, and approximately \$1.4 million in the Reserve personnel account.

Mr. FORD. That is anticipated as a supplemental request?

Mr. WRIGHT. Anticipated as a supplemental request.

Mr. FORD. That is all, Mr. Chairman.

Mr. MAHON. Thank you very much, gentlemen.

WEDNESDAY, JANUARY 22, 1964.

MILITARY PERSONNEL, AIR FORCE

WITNESSES

MAJ. GEN. B. O. DAVIS, JR., DIRECTOR OF MANPOWER AND ORGANIZATION, DCS/PROGRAMS AND REQUIREMENTS

BRIG. GEN. W. E. CARTER, DEPUTY DIRECTOR OF BUDGET, U.S. AIR FORCE

MAJ. GEN. THOMAS E. MOORE, DIRECTOR OF PERSONNEL PLANNING, DCS/PERSONNEL

COL. FRANK L. LUSCHEN, CHIEF, BASES AND UNITS DIVISION, DIRECTORATE OF AEROSPACE PROGRAMS

LT. COL. FRANK R. GREEN, DIRECTORATE OF PERSONNEL TRAINING AND PROCUREMENT

Object classification

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct obligations:			
11. Personnel compensation: Military.....	2,760,022	2,916,919	3,065,965
12. Personnel benefits.....	971,929	1,006,448	1,033,253
21. Travel and transportation of persons.....	123,307	122,489	126,315
22. Transportation of things.....	135,821	128,235	132,155
25. Other services.....	14,499	15,164	12,705
26. Supplies and materials.....	95,213	91,500	90,061
41. Grants, subsidies, and contributions.....	4	5	5
42. Insurance claims and indemnities.....	2,617	2,770	2,996
43. Interest and dividends.....	395	470	545
Total direct obligations.....	4,103,807	4,284,000	4,464,000
Reimbursable obligations:			
11. Personnel compensation: Military.....	5,230	6,210	5,975
12. Personnel benefits.....	1,512	1,800	1,735
21. Travel and transportation of persons.....	39	160	160
22. Transportation of things.....	30	130	130
26. Supplies and materials.....	23,618	25,000	25,000
Total reimbursable obligations.....	30,429	33,300	33,000
Total obligations.....	4,134,236	4,317,300	4,497,000

## Program and financing

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
<b>Program by activities:</b>			
Direct program:			
1. Pay and allowances of officers.....	1,250,498	1,315,200	1,381,000
2. Pay and allowances of enlisted personnel.....	2,277,174	2,409,700	2,516,800
3. Pay and allowances of cadets.....	5,402	4,900	5,100
4. Subsistence of enlisted personnel.....	276,939	266,500	263,800
5. Permanent change of station travel.....	290,620	284,300	293,600
6. Other military personnel costs.....	3,174	3,400	3,700
Total direct obligations.....	4,103,807	4,284,000	4,464,000
Reimbursable program:			
1. Pay and allowances of officers.....	3,713	4,500	4,300
2. Pay and allowances of enlisted personnel.....	2,777	3,500	3,400
3. Pay and allowances of cadets.....	100	100	100
4. Subsistence of enlisted personnel.....	23,868	24,900	24,900
5. Permanent change of station travel.....	57	250	250
6. Other military personnel costs.....	14	50	50
Total reimbursable obligations.....	30,429	33,300	33,000
Total obligations.....	4,134,236	4,317,300	4,497,000
<b>Financing:</b>			
Unobligated balance transferred from—			
“Air Force stock fund” (76 Stat. 319) (77 Stat. 254) (annual appropriation act).....	-47,300	-25,000	-35,000
“Air Force industrial fund” (77 Stat. 254).....		-10,000	
“Defense stock fund” (77 Stat. 254) (annual appropriation act).....		-20,000	-40,000
Advances and reimbursements from—			
Other accounts.....	-15,884	-16,300	-16,000
Non-Federal sources (10 U.S.C. 9621).....	-14,545	-17,000	-17,000
New obligational authority.....	4,056,507	4,229,000	4,389,000
New obligational authority:			
Appropriation.....	4,167,690	3,943,000	4,389,000
Transferred from “Military personnel, Navy” (5 U.S.C. 172f(a)).....	1,182		
Transferred to—			
“Emergency fund, Defense” (76 Stat. 334).....	-21,967		
“Family housing, Defense” (76 Stat. 237).....	-90,398		
Appropriation (adjusted).....	4,056,507	3,943,000	4,389,000
Proposed supplemental due to Uniform Services Pay Act of 1963.....		286,000	
Program by activities:			
1. Pay and allowances of officers.....		49,400	
2. Pay and allowances of enlisted personnel.....		71,500	
3. Pay and allowances of cadets.....		600	
4. Subsistence of enlisted personnel.....		4,300	
5. Permanent change of station travel.....		20,200	
Total obligations.....		146,000	
Financing:			
New obligational authority (proposed supplemental appropriation due to causes other than the Uniform Services Pay Act of 1963).....		146,000	

NOTE.—Under existing legislation, 1964: Additional funds are required to provide for the costs of continuing on active duty until June 30, 1964, the approved programed military personnel strength of the Air Force.

—Mr. MAHON. We are pleased to have before us the representatives of the Air Force, who will present to us the military personnel requirements of the Air Force for the forthcoming fiscal year.

I understand, General Davis, you have quite an extensive statement—

Will you please proceed.

## GENERAL STATEMENT OF DIRECTOR OF MANPOWER AND ORGANIZATION

General DAVIS. Mr. Chairman and members of the committee, I am pleased to appear once again before this committee to report

on the Air Force manpower program. As the Director of Manpower and Organization, it is my job to translate the approved Air Force program into manpower requirements and to allocate the manpower resources made available by the annual budget and the Department of Defense to accomplish the Air Force missions. The manpower program is the basis for computing the personnel costs which are an important part of the annual Air Force budget. Although we are principally concerned today with the military personnel budget, my statement will cover the entire inservice manpower program—civilian as well as military.

The Air Force has greatly improved its state of readiness across the entire conflict spectrum. We have increased our tactical forces and improved our ability to provide close combat and logistical support of the Army. Our strategic and assault airlift capability is at an alltime high and improving steadily, and we are continually looking ahead in the research and development field in our search for improved and new systems and to determine man's role in space. I think it is significant that these gains have been realized in an atmosphere of declining manpower ceilings.

We are simply getting more than ever before out of the people and funds we have by improved management techniques, better organization and staffing, and by insisting upon cost consciousness in both managers and first-line operators. But before I get into the subject of management, I shall outline the manpower program objectives for this fiscal year and the coming budget year.

#### FISCAL YEAR 1964 MANPOWER PROGRAM

During the hearings last year on the Fiscal Year 1964 budget, we projected a strength of 860,000 military and 339,573 civilians for end fiscal year 1964. As you will see from Table I, we are now programed for 855,302 military and 326,461 civilians for end fiscal year 1964. These figures represent reductions of 17,810 more than presented at the hearing last year for fiscal year 1964.

TABLE I.—*Department of the Air Force manpower program projections for fiscal year 1964*

	End fiscal year 1964 projected in fiscal year 1964 budget	Current end fiscal year 1964 projection	Net change to fiscal year program
Military:			
Officers.....	133,000	132,230	-770
Airmen/cadets.....	727,000	723,072	-3,928
Total military.....	860,000	855,302	-4,698
Civilian:			
Direct hire <sup>1</sup> .....	299,845	292,172	-7,673
Indirect hire <sup>2</sup> .....	39,728	34,289	-5,439
Total civilian.....	339,573	326,461	-13,112
Aggregate.....	1,199,573	1,181,763	-17,810

<sup>1</sup> Direct hire includes both United States and non-U.S. citizens who are paid by the United States directly.

<sup>2</sup> Indirect hire are non-U.S. hired by contract with foreign governments. Determination as to whether we will use direct hire is made by agreement with host country.

The military reductions are the result of actions to reduce oversea expenditures (4,100) and base closures (600). Of the total reduction of 13,112 civilian spaces, 8,450 (3,827 direct-hire and 4,623 indirect-hire) are associated with oversea reductions. The remainder of the direct-hire reduction is associated with transfer of functions to DSA (1,282), reduction in the estimate of NASA support requirements (1,424), additional productivity reduction (903), and various management actions (237). The balance of the indirect-hire reduction (816) is also the result of management actions.

#### FISCAL YEAR 1965 MANPOWER PROGRAM

Table II summarizes the Air Force manpower program for the budget year fiscal year 1965. You will see a net reduction of 19,935—16,536 are military and 3,399 are civilians. By end of fiscal year 1965 the military ceiling will be 838,766. The civilian yearend objective totals 323,062.

TABLE II.—Department of the Air Force manpower program and projections for fiscal year 1965

	End fiscal year 1964 projection	End fiscal year 1965 projection	Net fiscal year 1965 change
<b>Military:</b>			
Officers.....	132,230	130,680	-1,550
Airmen cadets.....	723,072	708,086	-14,986
<b>Total military.....</b>	<b>855,302</b>	<b>838,766</b>	<b>-16,536</b>
<b>Civilian:</b>			
Direct hire.....	292,172	289,309	-2,863
Indirect hire.....	34,289	33,753	-536
<b>Total civilian.....</b>	<b>326,461</b>	<b>323,062</b>	<b>-3,399</b>
<b>Aggregate.....</b>	<b>1,181,763</b>	<b>1,161,828</b>	<b>-19,935</b>

The 3,399 civilian reductions in fiscal year 1965 are essentially direct-hire and are related to a 4,432 productivity reduction which is partially offset by an increase of 1,569 for the tactical fighter forces and the consolidated intelligence program.

Table III summarizes the transactions which account for the net decreases in the military fiscal year 1965 program:

	1964	1965
911	22,221	22,221
912	22,221	22,221
913	22,221	22,221
914	22,221	22,221
915	22,221	22,221
916	22,221	22,221
917	22,221	22,221
918	22,221	22,221
919	22,221	22,221
920	22,221	22,221
921	22,221	22,221
922	22,221	22,221
923	22,221	22,221
924	22,221	22,221
925	22,221	22,221
926	22,221	22,221
927	22,221	22,221
928	22,221	22,221
929	22,221	22,221
930	22,221	22,221

TABLE III.—Department of the Air Force—Estimated changes in the military manpower program between end fiscal year 1964 and end fiscal year 1965

	Increases	Decreases	Net change
Force structure changes:			
Missiles:			
Strategic.....	+1,300	-1,400	-100
Defense.....		-1,100	-1,100
Aircraft:			
Strategic.....	+1,100	-12,900	-11,800
Defense.....	+800	-600	+200
General purpose.....	+8,600	-8,000	+600
Airlift.....	+2,800	-5,700	-2,900
Associated support.....	+6,300	-8,300	-2,000
Subtotal.....	+20,900	-38,000	-17,100
Nonforce structure changes:			
Training.....	+1,200	-7,500	-6,300
Communications.....	+3,500		+3,500
Weather Service.....	+700		+700
Other.....	+1,700		+1,700
Subtotal.....	+7,100	-7,500	-400
Miscellaneous.....	+1,500	-500	+1,000
Grand total.....	+29,500	-46,000	-16,500

## FORCE STRUCTURE CHANGES

In the strategic missile area, manpower increases of 1,300 in the MINUTEMAN force are offset by decreases in the ATLAS program. Phase-down in BOMARC accounts for the defense missile manpower reduction of 1,100.

As in fiscal year 1964, the continued phase-down of B-47's and KC-97's accounts for the heavy reductions in the strategic aircraft force. The changes in defense, general purpose, and airlift aircraft are, to a large extent, associated with conversion or modernization of equipment.

In the general purpose area, approximately 1,900 of the increase is in the Special Air Warfare Forces. The "associated support" changes include headquarters, command and control systems, advanced flying and missile training, and other direct support areas associated with force changes. Oversea reductions account for a net withdrawal of nearly 3,700 in the force structure area.

## NON-FORCE-STRUCTURE CHANGES

The 1,200 increase in the training area is for recruit and flying training and academy programs, while the 7,500 reduction is entirely in the technical training program. The change in communications represents an increase of 1,900 in the Emergency Mission Support program, and 1,600 in the aerospace communications complex.

## OVERSEA REDUCTIONS

As I previously indicated, actions to reduce oversea expenditures have affected both the fiscal years 1964 and 1965 manpower programs. The first phase of the reduction is the withdrawal and deactivation or redeployment of units; the second involves ceiling reductions and management actions. The withdrawal of units to the CONUS requires moderate manpower increases at ZI bases to which the units are to be redeployed, but there is, nonetheless, a net savings of man-

power in both fiscal years 1964 and 1965 totaling about 18,900. Of this number, 11,000 are military, 2,000 are direct-hire civilians, and 5,900 are indirect-hire civilians. About 15,200 of these reductions are taking place this fiscal year; the balance of 3,700 will be in fiscal year 1965. Slightly over half are from the Pacific area; the rest are from Europe.

#### MANPOWER IMPACT OF CONUS BASE CLOSURES

The reduction in total number of active military installations in the United States, announced by the Secretary of Defense in December, will result in the closure of three Air Force installations in fiscal year 1965, two in fiscal year 1966, and one more in fiscal year 1967. In fiscal year 1965 we will close Mira Loma Air Station, California, with a reduction of 107 civilians, and inactivate Greenville AFB, Mississippi, with a reduction of 288 military and 203 civilians. We will close Bates Air Field, Alabama, after transferring Reserve Troop Carrier operations to Brookley Air Force Base, with a reduction of 50 civilians.

#### EXTERNAL MANPOWER REQUIREMENTS

Our total commitment to man activities outside the Department of the Air Force has generally leveled off this past year at around 1 percent of the authorized military ceiling. The major users are the Office of the Secretary of Defense, the Joint Staff, the Joint Defense Agencies (DSA, DIA, DCA, DASA), the Unified and International Headquarters, and the Military Assistance Program. The greatest demand continues to be for senior officers—generals and colonels.

#### RATED OFFICER REQUIREMENTS

Table IV shows the total rated officer requirements for fiscal years 1963, 1964, and 1965.

TABLE IV.—*Department of the Air Force rated officer requirements for fiscal years 1963-65*

Fiscal year 1963.....	63,034
Fiscal year 1964.....	62,376
Fiscal year 1965.....	59,262

Although the requirements of the USAF for pilots, navigators, and other rated officers are gradually decreasing, the inventory of available rated officers to meet these requirements is decreasing at a much faster rate because of the expected loss of many World War II officers over the next few years. But I shall leave the subject of rated inventories to General Moore, your next witness.

Rated officer requirements are computed from the USAF aircraft force structure and vary directly with the force structure. Approximately 71 percent of the rated officer requirement is at wing level and below. The other 29 percent is serving above wing level to manage operations, support non-Air Force agencies such as NASA, NATO, FAA, etc., attend professional and technical schools, and support other USAF command and staff duties.

## MANAGEMENT OF RESOURCES

As pointed out earlier, we are constantly refining and updating management techniques in order to improve the utilization of our resources and to get the most out of the defense dollar. There is a major effort at all levels of command and staff to reduce costs and to improve efficiency in keeping with the spirit of the President's drive for economy. We are continually realining our manpower and dollar resources to satisfy new demands within reduced ceilings. This is not confined to the Directorate of Manpower and Organization at Headquarters USAF, but is a program actively pursued by all elements of the Air Force. We are searching for new and better ways to do old jobs while we ferret out obsolete and inefficient methods and procedures along with the obsolete equipment.

New management techniques and technical advances in such fields as automatic data processing are providing the means for better management of our resources. Last fiscal year the installation of automatic data processing systems provided us with over 500 spaces which have been diverted to meet critical requirements. This year we expect around 150, but in fiscal year 1965 we hope to divert another 2,000 to other top priority items.

We are presently redesigning the Air Force manpower management system to permit better, more finite, control of manpower resources at all levels. The new system will take full advantage of automatic data processing equipment and techniques. This will expand our capability to perform analytical studies of manpower utilization and will make the system more responsive to the demands of the changing force posture.

We have developed an automated workload analysis system for implementation in fiscal year 1965. The new automated system will use engineered manpower standards to measure the accuracy of the manpower distribution and identify adjustments that should be made for projected workloads.

We already have in operation an automated airman skill level distribution system which provides us with rapid identification of airman skill imbalances so that we may take corrective action before it affects the personnel assignment.

We have expanded and intensified our manpower standards-setting programs. The Manpower Validation Program, which I have described at previous hearings, has developed standards for more than 1,600 work centers covering in the neighborhood of 200,000 Air Force manpower spaces. We expect to have covered 40 percent of the measurable population with Manpower Validation by the end of fiscal year 1964, with 100 percent coverage by the end of the next fiscal year.

Gains have also been made in functional standards. These are standards applied to specific functions, Air Force-wide. For example, we recently developed new criteria for transient aircraft maintenance. Bases are now allowed to operate maintenance facilities for transient aircraft only during those hours when the base normally experiences heavy traffic in transient aircraft. They are no longer allowed to man these facilities around the clock and on weekends unless the transient aircraft traffic clearly justifies the requirement.

We have also cracked down on duplicated support functions on multi-mission bases. With the trend in recent years toward deploy-

ment of combat forces, most bases have more than one mission unit, many of which have traditionally had their own support elements. Wherever possible, we are consolidating like functions on a base and requiring the host command, that is the owner of the base, to provide all the support required by the tenant units. The results have been improved efficiency and better utilization of manpower, equipment, facilities, and funds. Under this program, for example, we have merged accounting and finance activities, consolidated military personnel offices, established central civilian personnel offices, and established single managers for base and transient aircraft maintenance.

One of the most significant consolidations is the new centralized system of equipment management known as BEMO (Base Equipment Management Office) and CEMO (Command Equipment Management Office). BEMO-CEMO entails the consolidation of the individual unit supply accounts of host and tenant organizations into one base account. By this new system, we expect substantial improvement and economies in supply and equipment management activities. Many additional consolidations of this type are planned.

#### IMPROVED UTILIZATION OF OFFICERS AND SENIOR NCO RESOURCES

A problem we have faced for a number of years has been the increasing requirement for higher grades which stems from more complex weapon systems plus growing demands for technical competence across the entire spectrum of skills. This is a problem common to all the services and has its counterpart in the industrial community.

Our officer requirements have largely been recognized by OSD. We have also alleviated the problem ourselves by internal management actions. This past year, for example, we reviewed officer requirements in aircraft maintenance organizations. We then developed a new officer grade and manning standard for aircraft maintenance organizations throughout the USAF. The standard includes the officer requirements for aircraft maintenance, avionics/munitions, squadron commanders, and supply in base level aircraft maintenance organizations. It provides for grades compatible with the responsibilities and requirements of each position, career progression for the individuals, equitable authorizations in like activities, and adequate technical supervision to cope with the increased complexities of programed weapon systems. Using this standard, we were able to reduce officer requirements in this field for redistribution to high priority requirements in other areas where shortages exist.

Because of the rapidly expanding activity in space, missile, and other research and development programs, the requirement for R&D officers continually increases. An extensive survey of all R&D officer positions was conducted to determine whether officers other than R&D specialists could be used in certain jobs. As a result of this survey, 384 R&D positions were converted to other less critical specialties. This released scientists and engineers for assignment to purely R&D jobs and reduced the shortage of officers in this critical area.

Last year I advised you of our program to relieve officer shortages by using high grade non-commissioned officers in place of commissioned officers. This program continues to pay off and, in fact, our results this year were better than anticipated. During fiscal year 1964 we

are converting more than 1,000 additional officer positions to NCOs for a total of 2,300 conversions to date. We have changed policies and directives which prevented senior NCOs from performing certain officer duties. We have eliminated the requirement for officers in many work centers and have reduced the layering of officer and senior NCO jobs. An important by-product has been the improved prestige of our senior NCOs. The program will continue through fiscal year 1965, but we expect the number of conversions to be smaller.

#### ORGANIZATION

Last year I informed you of the greater attention we have focused on Air Force organization, particularly on the wing/base structure of our tactical units. In recognition of the need for instantaneous responses and quick decisions, effort has been directed specifically at creating a tight, clearly defined command structure unencumbered by support or housekeeping functions. What we are doing, in effect, is relieving the combat commander of all but his primary wartime mission. We are expanding this concept throughout the Air Force. So far, it has been applied to all tactical commands and is approved for training, and research and development units. We will continue to reevaluate and update organizational concepts because sound organization is fundamental to effective mission performance and economy of operation.

#### CONCLUSION

In summary, I wish to assure you that the Air Force is dedicated to achieving optimum combat effectiveness with minimal cost to the taxpayer. In terms of manpower dollars, this means minimum essential manning of required tasks and the timely elimination of non-essential or marginal work. These are our objectives. We expect to pursue them more vigorously than ever before.

This concludes my formal remarks. Unless you have questions at this time, I will be followed by General Moore who will present the military personnel picture.

Mr. MAHON. That was a very interesting statement, I thought, General Davis.

General DAVIS. Thank you.

#### GENERAL STATEMENT OF DIRECTOR OF PERSONNEL PLANNING

Mr. MAHON. General Moore, we are pleased to have you before us and will you proceed with your statement.

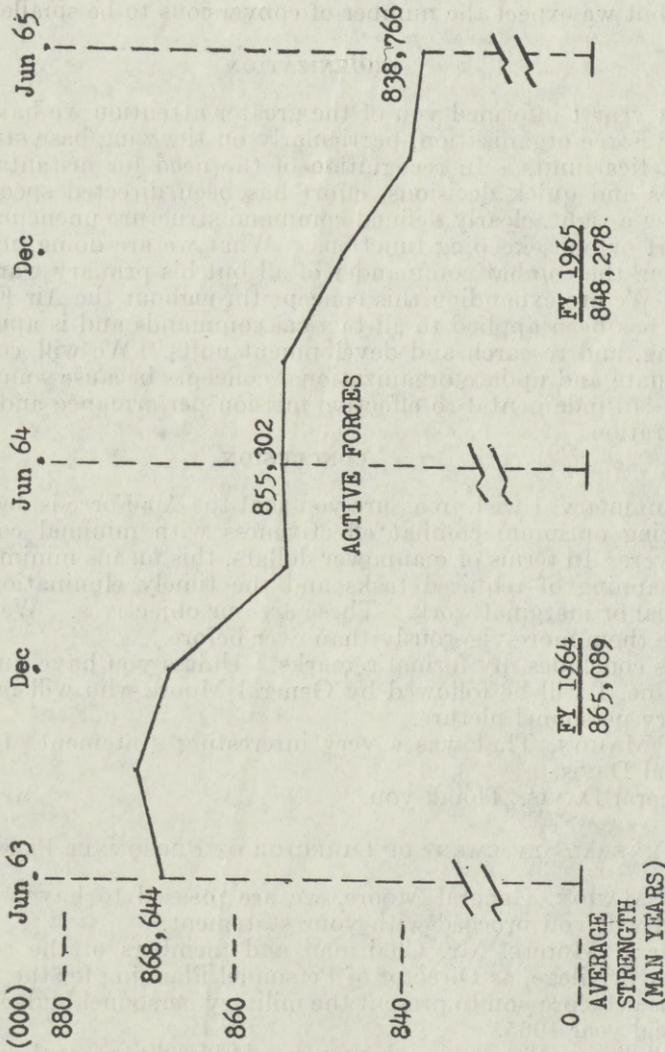
General MOORE. Mr. Chairman and members of the committee, it is my privilege, as Director of Personnel Planning for the Air Force, to appear before you to present the military personnel budget program for fiscal year 1965.

I will discuss the personnel programs designed to meet the manpower requirements discussed by General Davis for the balance of the current fiscal year and then for the budget year 1965.

Chart 1 shows the planned decreases in total USAF military personnel strength for the current and budget years. Average strengths for the 2 years are shown at the bottom of the chart.

CHART 1

DEPARTMENT OF THE AIR FORCE  
TOTAL MILITARY PERSONNEL STRENGTH



## FISCAL YEAR 1964 MILITARY PERSONNEL OPERATING PROGRAM

In our fiscal year 1964 budget request we planned a reduction from 868,931 at the beginning to 860,000 on June 30, 1964. Our actual beginning strength was very close to plan; however, we now program a further reduction during fiscal year 1964 to 855,302.

For 1964, the Military Personnel Appropriation has been apportioned on a basis recognizing our need for a supplemental appropriation. In accordance with the wishes expressed by Congress, the Air Force is proceeding with its planned operating program. As you will recall, the appropriation bill provided \$180 million less than the Air Force requested for fiscal year 1964. This \$180 million deficit has been reduced to \$146 million through refinement of estimates. In addition, \$286 million will be required to finance the pay raise approved by Congress last year. The total cost of the fiscal year 1964 program is now estimated to be \$4,430 million.

## FISCAL YEAR 1965 MILITARY PERSONNEL BUDGET PROGRAM

As the foregoing chart shows, we are planning an overall military strength decrease of 16,536 during fiscal year 1965, from 855,302 to 838,766. The cost of this program is \$4,464 million.

The Air Force appreciates the legislative action in recently enacting the needed military pay increase and I'm sure it will prove beneficial to career attractiveness. As you know, the Secretary of Defense is proposing an adjustment in military pay to be effective in fiscal year 1965. The estimated cost of this pay increase is not included in this appropriation request. The Air Force is in agreement that timely adjustments in military pay are required.

I will now discuss some of the details of our fiscal year 1965 budget program with regard to officers, airmen and cadets.

## PAY AND ALLOWANCES OF OFFICERS

We plan to begin fiscal year 1965 with 132,230 officers and end at 130,680, which is a decrease of 1,550. I think it is of interest that the beginning strength is 770 officers below the strength which was in the President's Budget presented to this committee a year ago. This saving in manpower is in keeping with the renewed emphasis on economy of operation, and is a current realization of actions being taken by the Air Force and the Department of Defense.

## OFFICER LOSSES

We are forecasting 15,570 officer losses during the budget year. Most of these losses are in categories in which only limited control can be exercised; for example, we estimate that 44 percent of our losses will be a result of voluntary separation at the end of obligated service tours. Attrition, which includes deaths, resignations, promotion failure, and other administrative and disciplinary separations, will account for another 12 percent. The remaining 44 percent of our losses will result from retirements where we can exercise some management control. Our personnel objective continues to be one of providing an officer force with a sufficient balance in age and experience to assure a reasonable and progressive career as well as a force

with sufficient know-how to get our mission accomplished. The Air Force still has a "hump" problem. It is composed of a large group of officers with the same amount of service. If all were permitted to leave active duty at the same time, the experience level of the force would be lowered drastically. We are continuing to induce some retirements as a means of mitigating the impact of the "hump" losses.

## OFFICER GAINS

American colleges and universities will provide the bulk of our procurement of about 14,000 new officers in fiscal year 1965. The result is that 98 percent of our newly acquired officers will have college degrees. The majority of these officers are about equally divided between two sources: Air Force ROTC and Officer Training School. We are pleased with our ability to obtain this large number of college men. Since technological advances emphasize the need for specialization, we must focus our efforts on procurement sources which will provide the educational background oriented to our specific tasks.

## OFFICER FIELD GRADE PROMOTIONS

Promotion is one of the prime motivating factors for the officer corps, but because of a shortage of vacancies we continue to have difficulty in providing suitable progression for field grade personnel. Table I illustrates the officer promotion problem by pointing out the lag between selection for promotion and actual promotion.

TABLE I.—Department of the Air Force officer field grade promotions

Grade and fiscal year	Selections	Promotions		
		Fiscal year 1963	Fiscal year 1964	Fiscal year 1965
Colonel		660	653	777
1963	660	660		
1964	698		653	<sup>3</sup> 45
1965				732
Lieutenant colonel		<sup>1</sup> 1,908	2,264	2,732
1963	3,014	750	2,264	
1964	1,225			<sup>3</sup> 1,225
1965				1,507
Major		<sup>2</sup> 4,527	4,328	5,555
1963	4,601	334	4,267	
1964	3,590		61	<sup>3</sup> 3,529
1965				2,026

<sup>1</sup> Includes 1,158 carried over from fiscal year 1962.

<sup>2</sup> Includes 4,193 carried over from fiscal year 1962.

<sup>3</sup> Carryover from fiscal year 1964.

While there is some improvement evident in our promotions for fiscal year 1965, the numbers fall short of our criteria for reasonable opportunity for qualified officers. In fiscal year 1965, for the first time we will have a carryover of colonel selectees who could not be promoted in the year of selection. Similarly, majors selected for promotion to the grade of lieutenant colonel must be held over until the following year before their promotions can be effected. The additional 4,000 lieutenant colonels authorized in legislation provided

by the Congress for fiscal years 1964 and 1965 has helped, but it has not eliminated our problem. DOD Legislation Item 88-8, commonly referred to as the Bolte proposal, will provide relief from the grade constrictions in the current Officer Grade Limitation Act.

INCENTIVE PAY FOR HAZARDOUS DUTY

As a final item under pay and allowance of officers, I want to review the management of the rated inventory and our flying training programs with particular emphasis on pilots.

General Davis mentioned earlier that our rated officer requirement will decrease gradually over the next 5 years while our inventory of available rated officers will decrease at a more rapid rate. As was pointed out in last year's testimony, almost half of our pilot inventory is composed of World War II officers, many of whom are beginning to retire. Others are filling critical scientific and technical positions, while still others are in senior supervisory positions. Management of the rated inventory under these conditions will be most difficult for some years to come. We are continuing to use the flight waiver provisions of Section 514, Public Law 88-149. This authority is an effective management tool which has decreased costs without imposing penalties on the individuals or subjecting the Air Force to additional morale, procurement, and retention problems. We again ask you to continue this provision in the fiscal year 1965 Appropriation Act.

Table II shows a comparison of the Air Force rated officer programs for fiscal years 1963 through 1965. This table, which is a forward projection of the ones we have used in the past, shows the increasing rated officer deficit as well as the use we have made of the flight waiver provision.

TABLE II.—Department of the Air Force rated officer program (yearend)

	Actual, fiscal year 1963	Program	
		Fiscal year 1964	Fiscal year 1965
<b>Requirements:</b>			
Pilot.....	42,045	41,880	40,262
Navigator/observer.....	19,878	19,434	18,035
Flight surgeon.....	1,111	1,062	965
Total.....	63,034	62,376	59,262
<b>Active inventory:</b>			
Pilot.....	44,430	41,676	37,639
Navigator/observer.....	18,098	17,795	16,858
Flight surgeon.....	495	564	544
Total.....	63,023	60,035	55,041
<b>Flight waiver:</b>			
Pilot.....	5,997	6,278	7,747
Navigator/observer.....	1,224	1,056	1,215
Flight surgeon.....	40	41	40
Total.....	7,261	7,375	9,002

For several years now we have spoken of the low pilot training rate. Last year the Air Force requested authority from the Secretary of Defense to raise the training rate. Approval was granted to raise the rate to 2,760 by fiscal year 1967, with provisions for subsequent reviews.

This concludes my discussion of the officer program. Next, I will discuss our Airman Force.

#### PAY AND ALLOWANCES OF AIRMEN

The airman force is programed to decrease 14,903 during fiscal year 1965 to an end strength of 705,126.

#### AIRMAN LOSSES

In fiscal year 1965, we anticipate losing about 121,000 airmen. The major portion of these losses, about 62 percent, is a result of non-reenlistment upon the expiration of current enlistment. Retirement and attrition account for 11 and 23 percent respectively, and the remaining 4 percent represents losses to officer status.

#### AIRMAN GAINS

To meet the end strength, we will procure about 106,000 airmen. Of this number approximately 89 percent will be non-prior-service male enlistees. Prior service male and WAF procurement is programed at 5 and 2 percent respectively. The remaining 4 percent represents airmen procured for the officer commissioning programs.

#### AIRMAN PROMOTIONS

Airman promotions result from vacancies occurring in a grade either through losses or increased authorizations. The grade ceiling has remained at approximately the same level as in fiscal year 1964. Table III shows a comparison of the programed end strengths, which are the ceilings established by the Secretary of Defense, and the number of promotions programed for the top six grades.

TABLE III.—Department of the Air Force—Top 6 grade airman promotions, fiscal years 1964 and 1965

Grade	Fiscal year 1964		Fiscal year 1965	
	Programed end strength	Programed promotions	Programed end strength	Programed promotions
E-9	5,993	715	5,993	643
E-8	11,233	2,057	11,233	1,809
E-7	32,100	6,457	34,200	8,786
E-6	68,156	11,074	68,156	13,015
E-5	146,563	18,231	146,563	22,133
E-4	164,905	58,261	155,697	62,292
Total, top 6 grades	428,950	96,795	421,842	108,728
Total, airmen	720,029	261,695	705,126	289,819

The promotions in the top six grades are programed to increase by about 12,000. Part of this is a result of an increase in grade E-7, based on the conversion of officer positions to NCO positions which General Davis discussed. The remaining increase occurs primarily in the grade of E-4 as a result of greater turnover forecast for fiscal year 1965.

## AIRMAN REENLISTMENTS

Last year you expressed concern about the accuracy of our reenlistment predictions. A concerted effort has been made to study and analyze this problem and as a result a revised approach and technique has been used in the forecast of reenlistments for fiscal year 1965.

We have scrutinized every facet bearing on this problem and we believe that we have developed a technique which will produce an accurate forecast of reenlistments. In the past, we attempted to correlate individual trends and attitudes toward reenlistment. In this program, we use tested, statistical experience to follow the airman force from enlistment date to the time of reenlistment. We take the number of airmen whose enlistment dates will expire in the fiscal year, less the losses which occur during the term of enlistment. The remainder then represents the base from which reenlistments are forecast. Approximately 22,000 more reenlistments are forecast to occur in fiscal year 1965 than are forecast for fiscal year 1964; however, the base for the fiscal year 1965 forecast is about 45,000 airmen higher than in fiscal year 1964. The following table IV represents the basis for the current fiscal year 1964 forecast and the forecast incorporated in the fiscal year 1965 budget.

TABLE IV.—Department of the Air Force forecast of airman reenlistments

	Fiscal year 1964	Fiscal year 1965
Original career reenlistments expiring in fiscal year.....	100,970	129,430
Available for enlistment during fiscal year.....	79,545	104,665
Estimated career reenlistments.....	65,875	84,550
Non-prior-service procurement 4 years ago.....	83,289	113,968
Available for enlistment during fiscal year.....	66,379	86,109
Estimated 1st term reenlistments.....	18,725	21,654
Total reenlistments.....	84,600	106,204

The new reenlistment computation procedure has resulted in the current fiscal year 1964 reenlistment forecast being reduced about 26,000 from the number presented to you last year. To date, the experience in fiscal year 1964 compares favorably to the new forecast which was derived from this technique.

## PROFICIENCY PAY

Effective October 1, 1963, OSD authorized increased rates for proficiency pay from P-1 \$30, P-2 \$60 to P-1 \$50 and P-2 \$75 and implementation of P-3 rate at \$100 per month. During fiscal year 1964 the Air Force is deferring use of the higher rates to avoid removal of large numbers of airmen from proficiency pay status. In fiscal year 1965 we are planning to increase the rate of one skill from \$60 to \$75 and increase the rate of several other skills from \$30 to \$60. Proficiency pay will be withdrawn from approximately 8,500 airmen now receiving \$30 per month in order to provide for the rate increases and allow for normal expansion.

Table V compares programs for fiscal years 1963, 1964, and 1965.

TABLE V.—*Department of the Air Force airman proficiency pay*

Airmen in proficiency pay	Fiscal year 1963	Fiscal year 1964	Fiscal year 1965
P-1, \$30.....	69,754	64,553	47,655
P-2, \$60.....	13,334	18,716	29,544
P-2, \$75.....			2,801
Total.....	83,088	83,269	80,000

We believe proficiency pay has been an effective inducement in retaining airmen in the critical, highly technical specialties. Our fiscal year 1965 program is designed to increase rates of the most critical skills and withdraw pay from the least critical. This program is under study.

#### PAY AND ALLOWANCES OF CADETS

The final category of pay and allowances is Air Force Cadets, on which I will comment briefly, beginning with aviation cadets.

#### AVIATION CADETS

Since 1960 the aviation cadet program has been devoted entirely to the training of navigators. We are discontinuing the aviation cadet program after entry of the March 1964 class. Thereafter, all students for navigator training will come from the three officer procurement sources which I mentioned previously. This will decrease the aviation cadet strength from 382 on June 30, 1963, to 188 on June 30, 1964, phasing out entirely in March 1965.

#### USAF ACADEMY CADETS

The Air Force has sponsored a legislative proposal, H.R. 7356, to increase the number of cadets in the Academy in order to increase the percentage of Academy graduates in the officer corps. Depending upon final passage of this bill, the Air Force plans to enter 985 cadets into each new class commencing in June 1964. This plan will raise the cadet strength from 2,660 on June 30, 1963, to 2,855 on June 30, 1964, and 2,960 at end of fiscal year 1965.

#### MOVEMENTS—PERMANENT CHANGE OF STATION

My next area for discussion is the Air Force Travel Program for fiscal year 1965. I will begin by pointing out trends in strength, Permanent Change of Station (PCS) moves, and personnel moving, then, discuss the travel program and, finally, comment on program management and costs.

#### COMPARISON OF MILITARY STRENGTH, PCS MOVES AND MILITARY PERSONNEL MOVING, FISCAL YEARS 1957-65

The table which follows updates the information that we furnished last year and provides a comparison between military strength, PCS moves and the number of personnel moving.

TABLE VI.—Department of the Air Force—Comparison of strength, PCS moves, and personnel moving

[Numbers in thousands]

Fiscal year	Air Force strength	PCS moves	Personnel moving
1957	919.8	902.5	692.9
1958	902.5	824.1	663.5
1959	840.4	709.5	594.2
1960	814.2	706.5	586.2
1961	821.2	706.8	542.3
1962	884.0	706.7	550.3
1963	868.9	694.7	534.9
1964	855.3	712.3	570.1
1965	838.8	709.3	565.6

As indicated, the number of PCS moves is consistently greater than the number of personnel moving. The large annual input of non-prior service airmen is the primary reason for this difference, as most of these people make three moves in their first year of service and each is recorded as a separate move. They first move from their homes to basic military training school, then to technical training school, and finally to their first permanent duty station.

## PCS MOVE PROGRAM

The 1965 PCS Travel Program can best be explained by comparing it with the 1964 Program. The following table, which shows the two programs and the difference, is in the same format as last year.

TABLE VII.—Department of the Air Force—Comparison by type of PCS move

Type of move	Fiscal year 1964	Fiscal year 1965	Difference fiscal year 1965 versus fiscal year 1964
Separation	124,992	130,496	+5,504
Accession	113,076	116,442	+3,366
Training	152,748	155,402	+2,654
Operational	106,859	107,739	+880
Individual	(38,333)	(37,919)	(-414)
Unit actions	(68,526)	(69,820)	(-1,294)
Oversea rotation	203,445	190,833	-12,612
Organized units	11,141	8,340	-2,801
Total military moves	712,261	709,252	-3,009

The current fiscal year 1964 PCS Travel Program reflects a greater number of moves than forecast at the time of the budget hearings a year ago. In large measure this is due to oversea force reductions now underway.

In fiscal year 1965, Separation Moves are programed to increase by 5,504 due to increased officer retirements and a larger number of airmen who will complete their enlistment terms. To offset these losses, the programed procurement of AFROTC graduates and non-prior service airmen has been increased in fiscal year 1965. This is reflected in the 3,366 increase in Accession Moves and 2,654 increase in Training Moves.

In the Operational Travel area, reassignment moves are programed to decrease slightly while moves caused by the activation, inactivation, and reorganization of units will be somewhat higher. The net change for Operational Travel is a small increase amounting to 880 moves.

Oversea reductions made in fiscal year 1964 have permitted a fiscal year 1965 decrease of 12,612 oversea Rotational moves and 2,801 moves in the organized unit category.

These differences result in a net decrease of 3,009 moves in fiscal year 1965 compared with fiscal year 1964. Savings of \$10.9 million result from decreases in higher cost moves, more than offsetting increases in lower cost moves.

#### MANAGEMENT OF PCS MOVES AND COSTS

The Air Force is continuing its efforts to reduce PCS moves and costs to the minimum. The stabilization of individual assignments and emphasis on cost consciousness by Transportation Officers remain the major areas in which savings are being achieved.

#### CONCLUSION

This concludes my statement in support of the Air Force military personnel appropriation for fiscal year 1965. As outlined in the Justification Book, we estimate the fund requirement for this program to be \$4,464 million. We request your approval and continued support of the Air Force program.

(Biographical sketch of General Moore follows:)

Biographical sketch of witness: Maj. Gen. T. E. Moore was born September 10, 1912, Lenoir, N.C. He graduated from the Air Corps Flying School in 1935, and was assigned to the famous 1st Pursuit Group at Selfridge Field for 4 years. In World War II, he flew B-29's in the Southwest Pacific. He attended the Air Command and Staff School in 1946 and the Armed Forces Staff College in 1950. Following a 3-year tour as DCS/Operations, 3d Air Force, South Ruislip, England, he was assigned to Headquarters, Air Training Command. After assignments as Deputy Chief of Staff, Programing and Deputy Chief of Staff, Operations, he was appointed Chief of Staff in 1957. From 1959 to mid-1963, he commanded Sheppard Technical Training Center, the primary USAF organization responsible for training personnel to maintain and operate our intercontinental ballistic missiles. He assumed his present position of Director of Personnel Planning in July 1963. Decorations include the Legion of Merit, Air Medal, and Bronze Star.

Mr. MAHON. Thank you, General Moore.

#### JUSTIFICATION OF THE ESTIMATES

We shall insert in the record at this point pages 6, 7, 8, 10, 30, 32, 56, 62, 64, 69, 70, and 88 of the justifications.

(The pages referred to follow:)

## MILITARY PERSONNEL, AIR FORCE

## Summary of military personnel strength

	Fiscal year 1963 actual		Fiscal year 1964 planned		Fiscal year 1965 planned	
	Average strength	End strength June 30, 1963	Average strength	End strength June 30, 1964	Average strength	End strength June 30, 1965
Officers.....	133,853	133,455	133,253	132,230	131,956	130,680
Enlisted.....	735,588	732,147	728,985	720,029	713,577	705,126
Aviation cadets.....	340	382	348	188	59	0
Air Force Academy cadets.....	2,441	2,660	2,503	2,855	2,686	2,960
Total.....	872,222	868,644	865,089	855,302	848,278	838,766

NOTE.—Data excludes military personnel assigned other agencies on a reimbursable basis.

## Summary of requirements by budget program

Title	Fiscal year 1963 actual	Fiscal year 1964 estimate	Fiscal year 1965 estimate
(1)	(2)	(3)	(4)
Pay and allowances of officers.....	\$1,250,498	\$1,364,600	\$1,381,000
Pay and allowances of enlisted personnel.....	2,277,174	2,481,200	2,516,800
Pay and allowances of cadets.....	5,402	5,500	5,100
Subsistence of enlisted personnel.....	276,939	270,800	263,800
Permanent change of station travel.....	290,620	304,500	293,600
Other military personnel costs.....	3,174	3,400	3,700
Total, direct obligations.....	4,103,807	4,430,000	4,464,000

## Summary of requirements by project—Pay and allowances of officers

Title	Fiscal year 1963 actual	Fiscal year 1964 estimate	Fiscal year 1965 estimate
(1)	(2)	(3)	(4)
Basic pay.....	\$821,281	\$923,063	\$952,140
Incentive pay.....	177,365	174,502	168,483
Special pay.....	10,404	11,334	11,584
Basic allowances for quarters.....	114,703	119,493	112,061
Family separation allowances.....	0	1,739	2,319
Basic allowance for subsistence.....	76,839	76,564	75,817
Station allowances, overseas.....	5,665	6,633	6,633
Uniform allowances.....	2,941	3,057	3,328
Separation payments.....	21,021	24,253	26,924
Social security tax, employer's contribution.....	20,279	23,962	21,711
Total, direct obligations.....	1,250,498	1,364,600	1,381,000

## Summary of requirements by project—Pay and allowances of officers—Continued

Grade	Fiscal year 1964 estimate			Fiscal year 1965 estimate		
	Man-years	Basic pay	Amount	Man-years	Basic pay	Amount
General.....	14	\$21,321	\$298	14	\$21,579	\$302
Lieutenant general.....	33	18,675	616	33	18,900	624
Major general.....	165	16,890	2,777	165	17,040	2,812
Brigadier general.....	214	14,640	3,133	213	14,820	3,157
Colonel.....	5,294	11,897	62,983	5,402	12,201	65,910
Lieutenant colonel.....	15,702	10,172	159,721	15,830	10,592	167,671
Major.....	24,404	8,437	205,897	24,866	8,667	215,514
Captain.....	50,113	6,654	333,452	50,012	6,925	346,333
1st lieutenant.....	20,298	4,550	92,356	19,561	4,793	93,756
2d lieutenant.....	14,066	3,031	42,634	13,243	2,833	37,517
Subtotal.....	130,303	6,937	903,867	129,339	7,218	933,596
W-4.....	809	7,407	5,992	1,187	7,787	9,243
W-3.....	1,919	6,225	11,946	1,430	6,504	9,301
W-2.....	222	5,667	1,258	0	0	0
W-1.....	0	0	0	0	0	0
Subtotal.....	2,950	6,507	19,196	2,617	7,086	18,544
Total.....	133,253	6,927	923,063	131,956	7,216	952,140

## Pay and allowances of enlisted personnel—Summary of requirements by project

Title	Fiscal year 1963 actual	Fiscal year 1964 estimate	Fiscal year 1965 estimate
(1)	(2)	(3)	(4)
Basic pay.....	\$1,570,914	\$1,715,491	\$1,748,294
Incentive pay for hazardous duty.....	24,023	26,254	26,052
Special pay.....	30,234	18,378	15,421
Proficiency pay.....	33,603	35,693	35,712
Reenlistment bonus.....	35,443	49,713	64,111
Basic allowance for quarters.....	394,874	421,224	399,736
Family separation allowances.....	0	3,900	5,200
Station allowances, overseas.....	17,213	15,339	15,339
Clothing allowances.....	64,485	66,906	64,298
Separation payments.....	53,445	66,222	79,692
Social security tax, employer's contribution.....	52,940	62,080	62,945
Total, direct obligations.....	2,277,174	2,481,200	2,516,800

	Fiscal year 1964 estimate			Fiscal year 1965 estimate		
	Man-years	Average rate	Amount	Man-years	Average rate	Amount
E-9 chief master sergeant.....	5,802	\$5,698	\$33,060	5,993	\$5,990	\$35,898
E-8 senior master sergeant.....	10,842	4,924	53,386	11,233	5,191	58,311
E-7 master sergeant.....	32,104	4,334	139,139	32,188	4,441	142,947
E-6 technical sergeant.....	67,151	3,686	247,519	68,156	3,792	258,448
E-5 staff sergeant.....	147,931	3,110	460,065	146,563	3,225	472,666
E-4 airman, 1st class.....	163,277	2,363	385,824	160,301	2,466	395,302
E-3 airman, 2d class.....	171,084	1,505	257,481	160,435	1,546	248,033
E-2 airman, 3d class.....	109,122	1,069	116,651	106,241	1,073	113,997
E-1 airman, basic.....	21,672	1,032	22,366	22,467	1,010	22,692
Total.....	728,985	2,353	1,715,491	713,577	2,450	1,748,294

## Pay and allowances of cadets—Summary of requirements by project

Title (1)	Fiscal year 1963 actual (2)	Fiscal year 1964 estimate (3)	Fiscal year 1965 estimate (4)
Aviation cadets.....	\$937	\$942	\$162
Academy cadets.....	4,465	4,558	4,938
Total, direct obligations.....	5,402	5,500	5,100

## Subsistence of enlisted personnel—Summary of requirements by project

Title (1)	Fiscal year 1963 actual (2)	Fiscal year 1964 estimate (3)	Fiscal year 1965 estimate (4)
Basic allowances for subsistence.....	\$180,769	\$176,865	\$173,338
Subsistence in kind.....	96,170	93,935	90,462
Total, direct obligations.....	276,939	270,800	263,800

	Fiscal year 1964 estimate		Fiscal year 1965 estimate
When authorized to mess separately: 394,381 MY at \$389.53.....	\$153,625	When authorized to mess separately: 387,045 MY at \$390.75.....	\$151,238
(298,546) ZI×\$380.64=\$113,639. (95,835) OS×\$417.24=\$39,986.		(287,604) ZI×\$383.25=\$110,224. (99,441) OS×\$412.45=\$41,014.	
Leave rations: 18,225 MY at \$387.87.....	7,069	Leave rations: 17,839 MY at \$389.71.....	6,952
(14,616) ZI×\$380.64=\$5,563. (3,609) OS×\$417.24=\$1,506.		(13,914) ZI×\$383.25=\$5,333. (3,925) OS×\$412.45=\$1,619.	
When rations in kind not available: 13,851 MY at \$940.62.....	13,029	When rations in kind not available: 13,558 MY at \$938.05.....	12,718
(2.57×366 days.)		(2.57×365 days.)	
When assigned under emergency condi- tions: 583 MY at \$1,251.72.....	730	When assigned under emergency condi- tions: 571 MY at \$1,248.30.....	713
(3.42×366 days.)		(3.42×365 days.)	
Augmentation of commuted rations al- lowance for meals taken separately: 10,460 MY at \$230.58.....	2,412	Augmentation of commuted rations al- lowance for meals taken separately: 7,467 MY at \$229.95.....	1,717
(\$0.63×366 days.)		(\$0.63×365 days.)	
Total basic allowances for sub- sistence.....	176,865	Total basic allowances for sub- sistence.....	173,338

## Permanent change of station travel—Summary of requirements by project

Title	Fiscal year 1963 actual	Fiscal year 1964 estimate	Fiscal year 1965 estimate
Accession travel.....	\$10,031	\$9,907	\$10,356
Training travel.....	18,907	17,723	18,183
Operational travel between duty stations.....	34,703	36,644	37,218
Rotational travel to and from overseas.....	201,030	205,793	193,018
Separation travel.....	22,725	28,510	31,397
Travel of organized units.....	3,224	5,923	3,428
Total, direct obligations.....	290,620	304,500	293,600

## Summary of program requirements by type move

	Fiscal year 1963 actual		Fiscal year 1964 estimate		Fiscal year 1965 estimate	
	Number of moves	Amount	Number of moves	Amount	Number of moves	Amount
Accession travel.....	117,350	\$7,310	113,076	\$7,056	116,442	\$7,275
Training travel.....	154,034	8,415	152,748	8,343	155,402	8,484
Operational travel between duty stations.....	100,235	6,717	106,859	7,320	107,739	7,382
Rotational travel to and from overseas.....	204,874	52,441	203,445	53,304	190,833	50,199
Separation travel.....	110,011	9,506	124,992	11,249	130,496	11,745
Travel of organized units.....	8,183	604	11,141	946	8,340	603
Total military member moves.....	694,687	84,993	712,261	88,218	709,252	85,688
Associated dependent moves.....	(390,739)	199,851	(406,969)	209,051	(396,380)	198,570
Reenlistment travel payments.....	(64,177)	5,776	(80,346)	7,231	(103,804)	9,342
Total program requirements.....	(694,687)	290,620	(712,261)	304,500	(709,252)	293,600

## Other military personnel costs—Summary of requirements by project

Title	Fiscal year 1963 actual	Fiscal year 1964 estimate	Fiscal year 1965 estimate
(1)	(2)	(3)	(4)
Apprehension of Air Force deserters, absentees, and escaped military prisoners.....	\$162	\$162	\$172
Interest on enlisted Air Force personnel deposits.....	395	507	613
Death gratuities.....	2,617	2,731	2,915
Total direct obligations.....	3,174	3,400	3,700

## MAGNITUDE OF ESTIMATE

Mr. MAHON. Gentlemen, you have presented your statements in connection with your request for the appropriation of \$4,389 million for military personnel in the Air Force. This is a very large sum, a very tremendous sum. We have a tendency to look at a large sum like that and say, my goodness, with the application of a little additional planning and more frugal management and the elimination of some of the frills here and there, you ought to be able to do this for, say, 1 percent less and always improve.

What is your reaction to that line of thinking?

General MOORE. Well, sir, we have gone over this request in great detail with the Office of the Secretary of Defense. We have gone through a series of paring actions designed to get it right down to the bare minimum consistent with the approved program. We feel there will be slight variations as there always are during the management of the program during the year.

It is our intent to do everything possible to reduce these costs, but at the current position we feel like our projections now after several exercises, after trying to reduce it to the very minimum—

## REASON FOR INCREASE IN FISCAL YEAR 1965

Mr. ANDREWS. I would like to ask, Mr. Chairman, if General Moore will explain briefly why the request for 1965 is \$34 million more when you have a sizable decrease of 16,536 in military personnel. You have fewer people projected for 1965, but a higher cost tag.

To what is that increase due?

That is a pretty sizable increase when you consider your proposed reduction in military personnel.

General MOORE. Yes, sir. That is due almost entirely to the pay raise.

Mr. ANDREWS. You had the pay raise with you in 1964 for about 9 months, did you not?

General MOORE. The pay raise is computed this fiscal year with a supplemental for 1964.

Mr. ANDREWS. How does your figure of \$4,430 million for 1964 consider the supplement you anticipate to take care of your pay raise?

General MOORE. It would be included.

Mr. ANDREWS. This figure of \$4,430 million, estimated cost for your 1964 program, does or does not take into consideration the anticipated supplemental appropriation?

General CARTER. We might get confused about which pay raise we are speaking of. This is the raise that became effective last October 1.

Mr. ANDREWS. So you have 9 months of that pay raise in your 1964 program?

General CARTER. Yes, and the full year cost is included in the 1965 program. There was, however, as you recall, another pay raise proposed by the Secretary of Defense which is not in either the 1964 or 1965 columns of the budget estimate for this appropriation.

Mr. ANDREWS. Has that proposed pay raise become law?

General CARTER. No, sir; it has not. The second pay raise will be transmitted during this session for consideration.

Mr. ANDREWS. I still do not see why you need more money for 1965 than you had in 1964 when you have a considerable decrease in personnel.

General CARTER. The 1963 pay raise impact.

Mr. ANDREWS. Went into effect in October of 1963.

General CARTER. That is correct.

Mr. ANDREWS. So you had 9 months of it, or will have in the 1964 program.

General CARTER. That is correct. That amounted to \$286 million. A full year of that would be about \$380 million, or almost \$100 million difference.

Mr. ANDREWS. On page 2 of General Moore's statement:

The total cost of the fiscal year 1964 program now is estimated to be \$4,430,000,000.

Does that figure include the \$286 million pay increase for fiscal year 1964?

General MOORE. Yes, sir; it does.

Mr. ANDREWS. I am more confused.

You are considering the pay raise for 1964, which is three-fourths of the full amount.

General MOORE. May I explain this?

We asked \$4,178 million for 1964. Now, there has been a reduction of \$34 million. The pay raise was \$286 million and it totaled out at \$4,430 million. We did ask originally for \$4,178 million. With the reduction during the reprogramming, and part of the requirement that was not funded, there was a total reduction of \$34 million. Adding the \$286 million for the pay raise for 9 months we came out at—

Mr. ANDREWS. Your statement indicates that for fiscal year 1964 your costs are estimated to be \$4,430 million.

General MOORE. That is right. That is the final end figure now adjusted.

Mr. ANDREWS. For fiscal year 1965, for the roughly 17,000 decrease in employment, you want \$34 million more for the program?

General MOORE. Yes, sir.

Mr. MAHON. I assume to some extent this is just a matter of applying arithmetic to the numbers involved.

General MOORE. Yes, sir.

#### FUND REDUCTION THROUGH MANAGEMENT

Mr. MAHON. General Davis, you heard the earlier colloquy between General Moore and myself and Mr. Andrews. I would like to have your comment on this overall feeling which we tend to have that with a request of in excess of \$4 billion, with the application of some additional good management and care, you ought to be able to make a cut. What is your reaction to that?

General DAVIS. One percent of 838,000, as you know, would be 8,380 manpower spaces.

Over the years, over the last 2 years, our manpower validation program has identified in excess of 9,000 spaces for redistribution, but not within 1 fiscal year.

I pointed out, sir, in the statement that I presented to you, many actions that we have taken and continuously take to try to keep this figure down.

The Office of the Secretary of Defense, I believe I can say, has already imposed upon the Air Force the type of pressure which results in the Air Force being squeezed downward in its manpower estimates in the manner in which you describe. So if an additional 1 percent were laid upon the Air Force, I feel quite strongly it would be difficult, most difficult, for us to carry out all of the missions that the Air Force has scheduled for fiscal year 1965. If this action were taken, to accommodate to a lower manpower figure, it would be necessary to dig deeper into the functions we consider necessary to the performance of our missions.

This is a difficult question. We in the manpower business are always under pressure to do exactly what you suggest. The list of deferred manpower requirements which are in my office, which I have not been able to fill within the 838,000 that we request for fiscal year 1965, is testimony to the fact that we are really working against the pressure that keeps us within bounds.

Mr. MAHON. You referred to a lot of good things, apparently good things, by way of improvement and economy in your statement. Could it be said if these things are as good as you indicate, they should have been done in prior years, and why are we just now doing them?

Is this the result of some new necessity or what?

What would you say to that?

General DAVIS. I feel that your comments are well taken. I think there are many things going on today that we have not corrected that could have been corrected in the past, but I feel also that there is always room for improvement. Although today we may have a conscientious approach to doing everything in the most austere, economi-

cal fashion possible, someone else will come along a year from now and find some things we have overlooked.

Conditions change. Situations change. Operational concepts change.

I think perhaps you may have in mind my comments about the transient aircraft maintenance. I do not think this action would have been possible a few years ago because we had a different operational concept. We do find it possible today, and I hope we did it as soon as we could possible have done it. But I am certain that next year I will outline, or my successor will outline, to you some actions that will have been taken during the year that I will wonder why I did not take this year.

Mr. MAHON. Mr. Ford had a question.

#### REDUCTIONS TAKEN HAVE NOT HURT AIR FORCE

Mr. FORD. I think your recitation of the actions taken, General Davis, in the last year are very encouraging.

Is it your judgment that these actions which have been taken resulting in this reduction have made the Air Force a better outfit, or was it just for the purpose of reducing personnel and saving money?

General DAVIS. Mr. Ford, my office would never sponsor a management action which would be in the disinterest of operations. We, on the other hand, would approach the manpower problem in the direction of cutting out whole missions rather than to reduce an overall performance of mission to the point that we were not completely effective.

So my direct answer to your question is—the Air Force has not suffered by the reductions that I have outlined in my statement and I know of no actions that are currently planned, or being taken, that would have a bad effect upon the implementations of the Air Force mission.

Mr. FORD. Do you run into resistance when you seek to implement these kinds of programs which you have recited?

Do people in the operating areas, or elsewhere, give you 1,000 reasons why this cannot be done?

General DAVIS. Yes, sir, and this is on a day-to-day basis for the two and a half years that I have been in this job. But all these people have the same attitude that I have—as long as you get the job done in an effective fashion, none of us want to waste resources.

However, their special interest in a particular operation is the reason for their existence within the air staff. Consequently, they know more about their operations than I do. It is a matter of discussion and final decision upon a course of action that is agreeable to my office and to the office of primary responsibility.

Going back to the transient aircraft maintenance capability, you would agree that it would provide more flexibility from an operational standpoint to have a 24-hour-a-day maintenance capability 365 days out of the year. However, from a resource standpoint it does not make sense to have this capability if you have only one or two landings at a base over a weekend, for example. So consequently, the operational people, who are primarily interested in flexibility and good operations, were willing in this particular case to reduce to some extent the flexibility they had in this field.

This is representative of the type of operation that my office and the other offices of primary responsibility in the air staff go through continually—to keep a balance at all times between resources and mission performance.

Mr. MAHON. Thank you very much.

We shall resume at 2 o'clock.

#### AFTERNOON SESSION

##### SPECIAL AIR WARFARE FORCES

Mr. SIKES. In your statement, General Davis, you called attention to an increase ——— in Special Warfare Forces. What is the number now on duty and the number you anticipate you will have at the end of fiscal year 1964?

General DAVIS. May I look that up in the notes, sir?

Mr. SIKES. Surely.

General DAVIS. Our strength at the end of fiscal year 1964 is ——— officers, airmen, and civilians.

Our strength at the end of fiscal year 1965 is ——— officers, airmen, and civilians.

The buildup in strength comes from an increase in the number of squadrons recently approved by the Office of the Secretary of Defense.

I don't know whether I have covered all parts of your question.

Mr. SIKES. You have, essentially.

Now, this is a program in which there has been a great deal of interest since its inception. It was proposed shortly after its inception that it be increased to approximately ——— personnel.

Are further increases envisioned, or is this the optimum desired for special warfare forces?

General DAVIS. Mr. Sikes, I don't think we see beyond the ———.

We do desire in the Air Force at sometime in the future to modernize the types of aircraft that are employed, and depending on the maintenance factors involved in the support of these aircraft, there may be some very, very small increases, or perhaps none at all.

Mr. SIKES. Of course it is very important that aircraft be modernized or improved or brought more in keeping with the concept of special warfare.

Is any significant work in that direction planned for fiscal year 1965?

General DAVIS. No, sir. I think I am correct when I state there is no modernization plan for these forces in fiscal year 1965.

Mr. SIKES. When will the increased number of personnel be—where will their headquarters be and where will their training be?

General DAVIS. The increases will be in ——— and an increase in the squadrons that are presently based at Hurlburt Field in the State of Florida.

##### FUTURE REDUCTIONS

Mr. SIKES. There is a rather substantial total strength decrease in the Air Force for fiscal year 1965. Is that symbolic of things to come, or is this a one-time reduction? Do you expect to level off after fiscal year 1965?

General DAVIS. Our program at this time calls for ———. Our request to the Department of Defense for fiscal year 1965 was slightly

in excess of the request that is before you, today. The budget request today is 838,766 military. We are programed to \_\_\_\_\_ and \_\_\_\_\_ but that is somewhat out in the future.

Mr. SIKES. \_\_\_\_\_ would there be smaller reductions as you now see them?

General DAVIS. The reductions in the main are associated with the reductions and inactivations of the B-47 wings and the KC-97 squadrons. Associated support also accounts for a large portion of the \_\_\_\_\_ reduction.

I have a list of all the decreases and increases which I would be glad to supply.

Mr. SIKES. It would be well to have that.

(The information referred to is classified and has been furnished to the committee.)

#### BASE CLOSURES

Mr. SIKES. Are additional base closings anticipated as a result of these further decreases?

General DAVIS. May I ask Colonel Luschen to comment?

Colonel LUSCHEN. Mr. Sikes, at the present we do not visualize any additional closures of bases over the \_\_\_\_\_ recently announced programs.

(Discussion off the record.)

#### OFFICER HUMP PROBLEM

Mr. SIKES. For a long time you have had a hump of senior officers. Has that problem resolved itself—I speak primarily of field grade officers—is that problem still a serious one?

General MOORE. The hump problem, sir, is fairly serious, and we won't get out of the woods until early 1970, because the bulk of these people who are now in the grades of Major, Lieutenant Colonel and Colonel came in during the 1940-41 time period. Some of them will stay on for the full 30 years, and that will put them out in the 1970-71 time period. We are whittling away at it. There are voluntary retirements and there are administrative actions, but it is diminishing slowly. We will be plagued with it for that period.

#### OFFICER PROCUREMENT

Mr. SIKES. Some of the other services have testified that they are having difficulty in obtaining an adequate number of new officers, or rather of junior officers. I deduce from the testimony that the Air Force does not have any similar problem.

General MOORE. We are not having a similar problem in our new officer procurement programs.

Mr. SIKES. That is refreshing news. To what do you attribute that? Is it interest in your program, or do you think you are doing a better job of selling what the Air Force offers in the way of a career? Can you interpret it, or read between the lines and tell us why you are not having a problem in obtaining an adequate number of junior officers?

General MOORE. Well, sir, I would say it is a combination of the things you mentioned, plus others. We have always felt that the Air Force offers a very attractive career for the young man of today.

It is getting more technical and he is interested in that. We believe in our Officer Training School program, which opens the way to college graduates who haven't had advantage of ROTC, to come to us and receive a commission in the Reserve with a good chance of becoming Regulars. This is a very attractive program and it is a voluntary program, and we are very well pleased with how it is working out.

#### SERVICE COMMITMENT FOR OFFICERS

Mr. SIKES. The length of service you require now for young officers who come on for duty, what is that?

General MOORE. A minimum of 4 years' service commitment.

Mr. SIKES. How long has that been in effect?

General MOORE. We have had that in effect since the time we started the OTS system.

Mr. SIKES. What about the ROTC system, what is the minimum there?

General MOORE. It is the same.

Mr. SIKES. Well, my son, who was an Air Force officer, with an ROTC background, served for 3 years. He was later extended for a year, but his base requirement was for 3 years.

General MOORE. The program has been effective since 1960. Now, the minimum service requirement for pilots is 5 years. We add 1 year for the training period.

#### FLIGHT WAIVER

Mr. SIKES. Do you suggest any changes in the flight waiver proviso which you discussed?

Mr. MOORE. No, sir. We would ask you to sustain it as it is.

#### PILOT TRAINING RATE

Mr. SIKES. Is the pilot training rate likely to change upward or downward? Do you anticipate that the number of pilots to be required will decrease in the future, or do you see about the same level in requirements for the next few years?

General MOORE. We hope that our pilot training rate will increase, sir. We asked for an increase for the 1965 time period. It was studied. We projected that our increase—I will put it this way: The Office, Secretary of Defense authorizes us to go up to a pilot training rate of ——— by fiscal year ———. Still, in spite of the input of new pilots, we will have, in accordance with this program, projected against our current requirements, a shortage of pilots in the cockpit.

Mr. SIKES. For how long?

General MOORE. That shortage will go out through the ——— time period.

Things can change in the interim. If the program doesn't change to alter this requirement, then we are going to have to request an increased pilot training rate over and above what we are now authorized.

Mr. SIKES. A few years ago you thought you were going to have too many pilots. Did you cut down too low?

General MOORE. In hindsight, we did.

At that time, I might point out, Mr. Sikes, that we were looking forward to quite a conversion to missiles in that time period, and the national situation caused us to bring back in more flying units and the force you were just asking about is one of those, which altered our long-range projection for young pilots. So we had to start back up. Hindsight proves that we did go down too low, but a changing program reversed it on us.

#### REQUIREMENT FOR TWO PILOTS IN F-4 AND F-111 AIRCRAFT

General DAVIS. May I add, Mr. Sikes, also, that the F-4 and the F-111 aircraft are two-place aircraft that require a pilot in both seats—

Mr. FLOOD. You use pilots in both seats? Not a pilot and observer, like the Marines?

General DAVIS. Two pilots.

Mr. FLOOD. The Marines use a pilot and an observer. Why do you need two pilots? Are they that hot?

General DAVIS. I believe, sir, that I would prefer, if you permit, that I furnish the answer to that question for the record.

Mr. SIKES. Very well.

(The information requested follows:)

#### TWO PILOTS FOR F-4C AIRCRAFT

The U.S. Marine Corps F-4B was designed primarily as an interceptor for air defense. In this configuration a pilot and a radar observer is employed. The Air Force has reconfigured this basic interceptor to meet its tactical fighter requirements with a capability to perform the full spectrum of tactical missions. This includes close air support, interdiction air superiority as well as air defense. The Air Force will require its F-4C units to have the capability to deploy to all possible theaters of activity on short notice in response to worldwide contingency operations. This will require 10- to 12-hour flights with two or three refuelings.

Because of the many capabilities of the F-4C system, a two-man crew is required. In determining the F-4C crew composition, the Air Force evaluated the possibility of using an observer rather than a pilot as the second man and concluded that in the long run a two-pilot crew is more economical, more practical, and more desirable. By using a pilot in the back seat, instead of an observer, experience and training is obtained which will permit crew progression to the front seat without an expensive combat crew training program. This in effect solves the replacement pilot training problem caused by crew attrition.

Finally, lower accident rates which the Air Force has experienced with two-pilot aircraft, also influenced the decision to use the two pilots in the high performance aircraft currently entering the inventory.

Mr. SIKES. Is this a preview of things to come? Do you anticipate that the requirement in the future will be for a two-place aircraft, rather than a single pilot aircraft?

General DAVIS. As far as our program goes now, sir, we see the advantage of having two pilots for the job to be done.

#### OFFICER TRAINING FOR AIRMEN

Mr. SIKES. What is the eligibility of enlisted personnel for officer training school?

General MOORE. Sir, we have our Airman Education and Commissioning Program. We have left the door open for those from the ranks to come into commissioned grades. We select airmen who are interested and who have a minimum or equivalent of 2 years of college.

We complete their education for them and then send them through AECP.

Mr. SIKES. How many actually achieve commissioned status in this way?

General MOORE. 400 per year.

Mr. SIKES. Is that a realistic number? Couldn't you get more? It is not a large number.

General MOORE. It is not a large number. It does require additional money for education.

Mr. SIKES. You do not permit them to attend officers training school unless they have had—

General MOORE. If they don't have the college degree, we raise them to that level.

Mr. SIKES. That is a basic requirement, is it, that all candidates have a college degree?

General MOORE. Yes, sir.

Mr. FLOOD. A college degree or its equivalent.

General MOORE. For the Airman Education and Commissioning Program, yes, sir.

Mr. FLOOD. A college degree or its equivalent.

General MOORE. A college degree.

Mr. FLOOD. Is the college degree a condition precedent or do you permit a college degree or its equivalent?

General MOORE. A college degree, sir.

Mr. FLOOD. Period?

General MOORE. Yes.

#### PILOT TRAINING PROGRAMS

Mr. ANDREWS. How much difference is there between training a fighter pilot, an interceptor pilot, or a bomber pilot?

General DAVIS. We have a standard training program, sir, for all pilots, and when a man is graduated from this standard training program, he is a qualified, rated pilot.

After a man has become a qualified, rated pilot, he goes to what we call combat training schools that are run by the Strategic Air Command, by the Tactical Air Command, and by the Air Defense Command which further qualify these individuals in bombers, fighter interceptors, and tactical fighters and fit them completely for entry into a cockpit in a tactical organization.

Mr. ANDREWS. Now, when you finish educating the pilot, is he prepared to fly anything in your inventory?

General DAVIS. Yes, sir, he is prepared to fly anything in the inventory, but he does not possess the specialized skills and experience that are required in the particular mission of the organization he is going to join.

Mr. ANDREWS. Of course in the future, your general demand for fighter pilots will be greater than bombers?

General DAVIS. Yes, sir, because of the very great expansion and conversion and modernization program in the Tactical Air Command. The introduction of the F-4 aircraft in large numbers and later the introduction of the F-111.

Mr. ANDREWS. How much additional training does a pilot need to handle one of these brandnew sophisticated—what is your latest?

General DAVIS. The F-4-C and F-4-D, sir. The F-104 we have had for some time.

He can fly the airplane immediately, sir, but participating in the specialized tactical requirements requires several weeks of additional training, say at Nellis Air Force Base in the case of the fighters and at the present time at MacDill for the F-4 and later at Tucson.

Mr. FLOOD. The F-4 is the best thing in the business right now, is it not?

General DAVIS. At the moment we consider it our best tactical fighter.

Mr. FLOOD. Not only yours, but anybody's. That is the best in the business, isn't it?

General DAVIS. We think so, sir.

#### MILITARY PERSONNEL ON DUTY OUTSIDE THE AIR FORCE

Mr. SIKES. Will you provide for the record an unclassified tabulation of the numbers of military personnel assigned to duties other than to the Air Force, and in that tabulation show in some detail where these persons are assigned?

General DAVIS. Yes, sir. We have a handout here now, if you would desire to have it now.

Mr. SIKES. It would be useful if we could have it now.  
(The information referred to is as follows:)

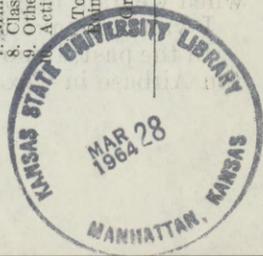




## Air Force personnel authorized to activities outside the USAF as of Dec. 15, 1963—Continued

Name of activity	Officers						Airmen							Total military	Total civilian		
	General	Colonel	Lieutenant colonel	Major	Captain	Lieutenant	Total, officers	CMS	SMS	Master sergeant	Technical sergeant	Staff sergeant	Airman 1st class			Airman 2d class	Airman 3d class
6. International activities:																	
North Atlantic Treaty Organization.....	2	8	13	5	2		30		2	1	4	6	1		8	14	44
Allied Command Europe.....	15	70	126	138	73	16	438	2	1	199	179	330	435	229		1,383	1,821
Allied Command Atlantic.....			4	2			6					3				5	10
Central Treaty Organization.....	1	1	2	1	2		7		1	1	1	3	1			6	8
Inter-American Defense Board.....	1	2	2	1	1		3	1		1	1	3	1			6	9
Inter-American Defense College.....		1	1	2			3			1	1	1				1	4
Military Planning Office, SEATO.....		1	2	6	4		3		1	1	5	3	3		13	1	39
United Nations.....	2	5	9	6	4		26		1	1	1	3	3			13	39
Subtotal.....	21	88	157	154	82	16	518	3	5	204	189	345	440	229	8	1,423	1,941
7. Military assistance program:																	
U.S. Southern Command.....			2	2	3		7		2	3	3	2	2			10	17
U.S. European Command.....	6	29	71	127	44	23	283	3	3	145	137	127	9	7		445	728
Pacific Command.....	3	21	66	130	101	26	344	5	23	156	111	107	10			412	756
Department of the Army.....			1				1				1					1	2
Subtotal.....	9	50	140	259	148	29	635	8	42	304	252	236	19	7		868	1,503
8. Classified activities (other)																	
Department of the Army.....			3	13	26	40	84	4	9	39	84	80	81	31		328	412
Department of the Navy.....																	
Other military departments:																	
Department of the Army.....		6	16	17	6		45			5	6	5	8	2		26	71
Department of the Navy.....		2	10	6	8		26	2		4	1					7	33
Subtotal.....		8	26	23	14		71	2		9	7	5	8	2		33	104

10. Activities outside the DOD:												
Joint meteorological center and meteorological satellite groups												
1	1	1	1	1	1	1	1	1	1	1	1	2
Military assistant to the Vice President	7	17	12	1	37	1	1	1	1	1	1	38
National Guard Bureau	1	2	4	4	2	2	2	2	2	2	2	6
The White House	1	2	1	1	3	1	1	1	1	1	1	4
National Security Council	1	1	1	1	3	1	1	1	1	1	1	4
U.S. Weather Bureau	7	14	11	1	32	1	1	1	1	1	1	32
Atomic Energy Commission	1	1	1	1	1	1	1	1	1	1	1	1
Radio Technical Committee for Aeronautics	1	1	1	1	1	1	1	1	1	1	1	1
American University, Beirut	1	1	1	1	1	1	1	1	1	1	1	1
Office of Emergency Planning	1	1	1	1	1	1	1	1	1	1	1	1
Subtotal	2	19	34	24	1	80	1	3	1	3	1	84
Subtotal nonreimbursable	120	735	1,161	1,080	770	295	4,161	81	175	1,030	1,260	1,781
11. Reimbursables:												
Air Intelligence Group and allied units												
1	15	40	93	76	25	249	4	10	22	64	152	305
Battle Monuments Commission	2	16	37	17	4	72	4	72	73	73	73	73
Federal Aviation Agency	2	27	30	14	73	73	73	73	73	73	73	73
National Guard Bureau	2	27	30	14	73	73	73	73	73	73	73	73
Selective Service System	1	7	20	17	85	150	6	1	1	1	1	152
National Aeronautics and Space Administration	1	7	20	17	85	150	6	1	1	1	1	152
U.S. Arms Control and Disarmament Agency	4	4	2	2	6	6	6	6	6	6	6	6
Total, reimbursables	5	74	143	152	104	588	10	22	64	153	306	42
Grand total	125	809	1,304	1,232	874	4,05	4,749	91	197	1,094	1,413	2,087
Résumé:												
1	19	117	69	27	45	23	300	4	5	53	58	125
Activities of OSD	14	123	80	24	7	2	250	3	19	30	64	24
Activities of the JCS	15	154	246	279	326	158	1,178	30	44	237	385	626
Joint defense agencies	3	32	8	7	1	51	8	4	5	5	5	8
Joint defense colleges	37	142	398	270	120	27	994	27	50	147	216	332
Unified/specified commands	21	88	157	154	82	16	518	3	5	204	189	345
International activities	9	50	140	259	148	29	635	8	42	304	252	236
Military assistance program	2	8	26	23	14	40	84	4	9	39	84	80
Classified activities program	2	8	26	23	14	40	84	4	9	39	84	80
Other military departments	2	19	34	24	1	80	1	2	3	7	7	5
Activities outside the DOD	2	19	34	24	1	80	1	2	3	7	7	5
Total, nonreimbursable	120	735	1,161	1,080	770	295	4,161	81	175	1,030	1,260	1,781
Subtotal	5	74	143	152	104	110	588	10	22	64	153	306
Grand total	125	809	1,304	1,232	874	4,05	4,749	91	197	1,094	1,413	2,087



## NAVIGATOR TRAINING

Mr. FLOOD. Do you train observer-navigators as distinguished from pilots?

General DAVIS. Yes, sir.

Mr. FLOOD. Will you just give me a word, what you know now, and then for the record set up two tables of cost, and length of training, as distinguished between pilots and observer-navigators, so we can take a look at that?

General DAVIS. I will be glad to.

(The information requested follows:)

*Cost of undergraduate navigator training and undergraduate pilot training*

	Undergraduate navigator training	Undergraduate pilot training
Length of course.....	49 calendar weeks (to be reduced to 44 weeks effective Sept. 1, 1964).	55 calendar weeks.
Cost per individual graduated.....	\$29,600.....	\$82,400.

The cost of training includes aircraft fuel and oil, operation and maintenance of training bases, pay of students, pay of military instructors and staff personnel, and depot maintenance of aircraft.

Mr. FLOOD. Off the top of your head, what is the difference?

General DAVIS. There are two different schools, sir.

Mr. FLOOD. Do you use the term "observer"?

Colonel GREEN. Navigator training is still about——

Mr. FLOOD. Do you use the term "observer" in your outfit?

Colonel GREEN. "Navigator." We train navigators at the rate of 1,000 per year. The course is 49 weeks in length and will be shortened to 44 weeks. The undergraduate pilot training course is 55 weeks.

Mr. FLOOD. They both rate wings?

Colonel GREEN. They rate navigator's wings and pilot's wings, depending on the schools from which they graduate.

Mr. SIKES. Are the basic requirements the same?

Colonel GREEN. The basic requirements are the same. Essentially we will enter our last cadet trainees into navigator training in March and then after that almost all will be college graduates.

Mr. FLOOD. If a man washes out as a pilot, can he be a navigator?

Colonel GREEN. The physical qualifications are slightly lower.

Mr. FLOOD. A man can wash out as a pilot and still wind up with wings?

Colonel GREEN. That's right, he certainly could.

## SELECTION OF BASE FOR CLOSURES

Mr. WHITTEN. I notice here that part of the reduction in manpower requirements relates to the closing of various bases. One of these happens to be in my area. I refer to Greenville, Miss. I have been one of those who for years felt we spend a lot of money needlessly in defense and we had a lot of money spent in the name of defense when we didn't get any defense.

I want to make the record clear, there.

In the past, I know, when the Air Force sent out the totals on Ellington Airbase in Texas, our investigations showed Ellington was much

cheaper to operate, much more flying time and far fewer days of non-flight, than bases that at that time you planned to keep open. At the insistence of this committee and others, you were pushed back to the point of keeping your best and most economical bases, where you got the most flying time.

Now, having had that experience, I quite naturally am interested in the bases on which you determine what bases to close as compared with those in the same line of activity that were kept open.

It may be, Mr. Chairman, that this should properly be directed to the Secretary of Defense, but I do feel that I should develop it and I raise the point now so that I may know where best to direct my inquiry as to the basis for determination, and a comparison between those that are kept open and those that may be closed.

Mr. SIKES. Do you wish to comment?

General DAVIS. May I ask Colonel Luschen to comment?

Colonel LUSCHEN. I will attempt to answer your question, Mr. Whitten. In any base closure, or base reduction, the selection of the specific installation that is reduced or closed as the case may be, is dependent upon a number of circumstances. Of course, we must consider our total requirement, whether it be forces, certain types of flying units or bombers or fighters or what-have-you. In the case at hand, I think you are probably familiar with the fact that Greenville, an Air Training Command Base, performs technical training only. There is no flying mission at the base. It is one of our smallest training command bases.

The training requirement for the total Air Force varies as we reduce numbers of people and change our types of equipment. In trying to come up with the cheapest possible total Air Force program it was determined we could accommodate the limited training mission that has been performed at Greenville at other existing bases. By relocating the small training loads from Greenville, we could ultimately save people and money by doing that.

#### CLOSING OF GREENVILLE (MISS.) AIR FORCE BASE

Mr. WHITTEN. Colonel, I have been in this political arena for a good many years, and I have dealt with the services for a good many years. I have seen bases open and close and expand and contract, and I have seen good answers given when behind it was something like the Ellington situation, which I know happens. That leads me to ask that we supply for the record the other bases that are doing the same type operations, the relative size, the cost per man, and then the decision about the Air Force which made Greenville a small operation as against being a large operation. I want a proper comparison. I don't know enough about the details to take issue with your decision, but I do think the facts should be here in the record where not only I but others could see that this is a bona fide, sincere, proper exercise of judgment when you come to decide which one.

Again, may I say, I don't have any idea that you came to a wrong decision, but neither do I have before me the basis to support the answer you just gave. Your answer is a very general one, and I have heard it for 22 years, here, and most of the time I have had to go behind it to find out upon what the answer was based before I could reach a definite conclusion.

General DAVIS. Sir, we shall furnish that for the record as you request.

Mr. WHITTEN. I wish you would do it and call it to my attention, because I may want to follow up the information.

(The information requested follows:)

#### GREENVILLE AIR FORCE BASE

Greenville Air Force Base is used entirely for technical training in personnel, medical helpers, and firefighting fields. These courses were moved to Greenville from other Air Training Command bases when the flying training mission was removed from Greenville in 1960. The movement of the flying mission from Greenville was predicated by a reduction in the Air Force pilot training rate. Greenville was selected because of its relatively poor support facilities in comparison with the other pilot training bases in the Air Training Command. The courses at Greenville are unique, no similar courses are taught within the Air Training Command. The size of each course is, of course, determined by Air Force requirements. These two factors have established the size of the operations at Greenville.

Other technical training courses, many requiring complex electronic and missile equipment (such as Keesler Air Force Base and Chanute Air Force Base) are already and have for some time been, established at other large Air Force bases. All these bases have been engaged longer in this function and possess superior facilities. Enormous investments have been made in training equipment and troop facilities at these installations.

Greenville offers eight airmen courses and two officer courses.

Course:	Annual produc- tion
Personnel officer (officer) .....	253
Management engineer (officer) .....	48
Medical helpers .....	3, 863
Fire protection supervisor .....	133
Fire protection specialist .....	1, 169
Fire protection vehicle, operator .....	46
Fire protection specialist, missile .....	242
Personnel technician .....	45
Personnel specialist .....	1, 320
Personal affairs technician .....	12
Total .....	7, 131

The student load at Greenville is 1,267. As a comparison, other bases engaged in military and technical training have loads as follows:

Amarillo Air Force Base, Tex.: 6,215 plus a SAC bombardment wing.

Chanute Air Force Base, Ill.: 6,631.

Keesler Air Force Base, Miss.: 10,892.

Lackland Air Force Base, Tex.: 15,130 plus Air Force Systems Command hospital and Air Defense Command radar unit.

Lowry Air Force Base, Colo.: 5,315 plus a strategic missile wing.

Sheppard Air Force Base, Tex.: 5,303 plus a SAC bombardment wing.

There are several factors that contributed to the decision to close Greenville. First is the fact that the base is underutilized and costly to operate. Certain facilities, such as hangars, maintenance shops, and structures peculiar to the flying mission conducted at Greenville prior to 1960 have not been adaptable to the type of training presently conducted there. Secondly, the facilities at Greenville are primarily of World War II construction and in general have a high maintenance factor. Better classroom and support facilities are available at other Air Training Command bases. In addition, we are experiencing an approximate one-third reduction in category B skill production Air Force-wide. The technical schools at Greenville are in the category B area. Therefore, the Greenville student load can be absorbed into the large technical training centers with a resultant reduction of nearly 500 personnel and indirect training costs.

The cost per graduate varies greatly depending, primarily, on the length and complexity of the course. For example, the cost per graduate in fiscal year 1963 for a personnel specialist at Greenville was \$2,053 while a course for aircraft electrical repair technician at Chanute Air Force Base cost \$4,024 per graduate.

The direct cost per student week (which includes pay and allowances of instructors, the cost of maintaining classroom equipment and training aids, etc.) is approximately the same for a particular course regardless of the location of the course. The indirect cost per student week, which includes base support services, civil engineer functions, utilities, and maintenance materials, on the other hand, depends on the location, size, and complexity of the base and on the student load.

On a small base like Greenville, the indirect cost per student week during fiscal year 1963 was fairly high: \$87. However, at the large training bases such as Keesler, where the annual production rate is 16,500, the indirect cost per student week was \$45; and at Lackland it was \$43 during the same time period.

#### MINIMUM FLIGHT TIME REQUIREMENTS

Mr. SIKES. The General Accounting Office suggests elimination of the requirement for 4 hours' flight time each month in order to qualify for flight pay. I quote from a document prepared by the General Accounting Office:

Minimum time performance requirements that must be met under the regulations before a serviceman may receive flight pay result also in substantial unnecessary administrative costs, serve little useful purpose in insuring that a serviceman actually participates in the performance of the prescribed flights. Minimum time performance requirements for entitlements also create the possibility that aircraft and personnel will be employed unnecessarily and uneconomically.

What is your opinion with respect to the minimum time performance actually required to maintain proficiency?

General CARTER. Mr. Chairman, we haven't the information at hand on this recommendation and we are not prepared to respond to that at this time. May we suggest we attempt to determine if there is information in the Air Force, and provide it for the record?

Mr. SIKES. I think it would be well for you to attempt an answer in detail. It is interesting and could be an important question. I know you have opinions on that. Would you care to express such opinions? Of course, this is off the top of your head, and not necessarily what you want to keep in the record.

Mr. SIKES. Does 4 hours spent in the air each month actually produce efficiency, or do you have to undergo retraining when a man is assigned to a new aircraft, or a new mission?

General DAVIS. I will be glad to comment on that, Mr. Sikes.

First, to be very specific, in the Air Force we do not believe 4 hours is sufficient time for a pilot to maintain proficiency. We do have regulations that require all of our pilots to achieve a minimum of 100 hours in the air per year, of which a large portion is a minimum for each 6 months' period.

Mr. FLOOD. All ranks, all weather?

General DAVIS. All ranks, all weather.

Mr. FLOOD. You know the fun they had about 4 years ago with the admiral's weather. You couldn't find an admiral in a rainstorm in 2 years.

General DAVIS. This average, sir, of 100 hours per year, divided equally by 12 would be 8½ hours per month. These are the proficiency pilots, the ones not assigned directly to flying, tactical organizations. We believe in these flying tactical organizations that—in fighter organizations, for example—a pilot requires a minimum of about 20 hours per month in order to maintain proficiency in the highly complex weapon system that he manages in the air.

In other types of aircraft, the minimums would vary, but basically I do think that the 4-hour rigid requirement, from the standpoint of qualifying for pay, is an unnecessary hindrance. May I add, sir, that this is off the top of my head?

Mr. SIKES. You may modify your comments and we will want additional material prepared in detail upon this.

General DAVIS. Very well, sir.

(The matter referred to follows:)

#### FLIGHT PAY AND PROFICIENCY FLYING

The General Accounting report is principally concerned with reduction in flying costs and the administrative burden imposed by the fact that personnel receiving flight pay must, in effect, perform each month. In accordance with Executive Order No. 10152, an appropriate certification is prepared monthly to record each individual's accomplishment of the requirement. This also conforms to the requirement for " \* \* \* performance of hazardous duty \* \* \*" [emphasis supplied] " \* \* \* involving frequent and regular participation in aerial flight \* \* \*" as set forth in section 301, title 37, United States Code.

The Air Force has submitted to the Secretary of Defense a proposed amendment to Executive Order No. 10152 for further transmittal to the President. The amendment would substitute 48 hours of flying per fiscal year for 4 hours per calendar month as the performance requirement for entitlement to flying pay. Approval of the amendment would increase flexibility and eliminate the specific requirement to fly in any given month merely to qualify for flying pay. Entitlement to flying pay will then be more extensively generated as a byproduct of tactical and proficiency flying. This modification would provide increased flexibility in the operation and maintenance of aircraft and considerably reduce the cost of administering flight certificates.

As to the minimum time required for pilots to maintain proficiency, it is Air Force policy to require its pilots to fly a minimum of 100 hours annually for proficiency training. This requirement includes 20 hours instrument time and 10 hours of night flying. It is emphasized that this is a minimum. For years, it has been the professional judgment of our top air leaders that it is absolutely necessary, from the standpoint of safety to the life and limb of the individual pilot, to the preservation of our equipment, and to maintain an effective fighting Air Force, that a minimum of 100 hours is required. In their considered judgment, lesser proficiency minimum could not be accepted without seriously compromising the combat capability of the U.S. Air Force.

#### INDIGENOUS AND U.S. PERSONNEL REDUCTIONS

Mr. SIKES. When there are reductions in personnel such as you plan for fiscal year 1965, is this related directly to the units that are removed from the service or the weapons that are eliminated from inventory, or are there other decreases, associated decreases from other categories, at the same time?

General DAVIS. The reduced requirements, sir, are related in very large numbers to the changes in force structure. They are also related to the redeployment from overseas in both the Pacific and European areas, and this change of deployment carries with it a difference in the manpower requirements here in the Zone of the Interior.

The management improvements also account for rather large numbers of reductions.

Mr. SIKES. Most of the reductions in oversea personnel will be indigenous personnel?

General DAVIS. Yes, sir, they would be, and of course there is some increase that is required here in the Zone of the Interior when the units are brought on to our continental bases.

Mr. SIKES. Will you have prepared for the record a table showing the corresponding changes in indigenous personnel and U.S. personnel?

General DAVIS. We shall.

(The information requested follows:)

MANPOWER REDUCTIONS RESULTING FROM WITHDRAWALS AND UNIT DEACTIVATIONS OVERSEAS IN FISCAL YEARS 1964 AND 1965

The first column of the following table shows the Air Force manpower spaces reduced as a result of withdrawals and deactivations or redeployments of units overseas. The second column shows the additional manpower spaces required at bases in the United States as a result of the relocation of these units to the continental United States. Column 3 shows the net change to the manpower program.

	Reductions (1)	Additions at U.S. bases (2)	Net change (3)
Fiscal year 1964:			
Military.....	-11,929	+4,319	-7,610
Civilians:			
Direct hire United States.....	-342	+375	+33
Direct hire non-United States <sup>1</sup> .....	-1,778		-1,778
Indirect hire <sup>1</sup> .....	-5,854		-5,854
Total civilian.....	-7,974	+375	-7,599
Aggregate.....	-19,903	+4,694	-15,209
Fiscal year 1965:			
Military.....	-4,240	+817	-3,423
Civilians: <sup>2</sup>			
Direct hire United States.....	-87		-87
Direct hire non-United States <sup>1</sup> .....	-120		-120
Indirect hire <sup>1</sup> .....	-76		-76
Total civilian.....	-283		-283
Aggregate.....	-4,523	+817	-3,706

<sup>1</sup> The direct hire non-United States and the indirect hire are foreign national indigenous personnel.

<sup>2</sup> In addition other reductions will be made in direct hire civilians in oversea areas.

REDUCTION IN CIVILIAN EMPLOYMENT

Mr. ANDREWS. Tell us what you anticipate with reference to the reductions of those civilian employees. As I recall, it was about 19,000, wasn't it?

General DAVIS. Yes, sir.

Mr. ANDREWS. How much of that will take place by attrition, or just what do you foresee? Will there be many dismissals of people who are actually working, or will you just let it work itself out?

General DAVIS. Well, sir, we most positively will not let it work itself out. We shall make the strongest effort we possibly can make to avoid any reductions in force.

I might point out, sir, of this 19,000, several thousand, as Mr. Sikes indicated earlier, come from our employees in the oversea areas. However, there are reductions that we shall have to take between now and June 30 which will cause us considerable difficulty, but in every case we shall attempt to achieve these reductions through attrition, rather than through the reduction in force of people who are already in jobs.

There is a large attrition in the size force we maintain.

There are some cases where attrition will not permit us to take the reductions, because the attrition will be in certain skill areas that won't do the job that we have to do.

In addition, if we have to have a reduction in force in any instance, we are setting up machinery in the Air Force to attempt to relocate those people in other jobs.

Mr. FLOOD. You are speaking of uniformed personnel?

Mr. ANDREWS. And civilian.

General DAVIS. Civilian personnel.

Mr. FLOOD. What percentage of those civilians overseas are indigenous, as distinguished from Americans?

Mr. SIKES. He is going to supply that for the record.

General DAVIS. It is very large, sir.

General CARTER. In respect to your question about individuals who are left in stations which are being closed, or where activities are being closed out, there is a specific Department of Defense policy that requires all the military departments to make a reasonable effort to find these individuals another position of employment and to pay their expenses to the new point of employment.

Mr. FLOOD. You are not going to try and employ indigenous personnel someplace, are you?

General CARTER. No, sir; I refer to the people within the United States who are U.S. citizens.

Mr. ANDREWS. You had a case of that in Alabama. You gave quite a number of people an opportunity to move to another point and many of them did. I hope you can achieve that goal, as much as possible, through attrition.

General DAVIS. I think we can, Mr. Andrews, and I think our experience over the last 2 years has—as you pointed out in the case of Brookley—would indicate that we can do this. We hope so.

Mr. ANDREWS. Nothing saddens me more than to see a man who is working for any employer, the government or a private corporation, reach the age of 45 and 50 and then lose his job through no fault of his own. It is difficult for a man in that age bracket to get a new job.

#### EFFECTIVENESS OF PROFICIENCY PAY

Mr. SIKES. The effectiveness of proficiency pay is doubted by one of the other services on the basis of inadequacy and effect on morale of the nonparticipants. Apparently the Air Force looks favorably upon the proficiency pay system. Is that correct?

General MOORE. The Air Force favors the proficiency pay system.

Mr. SIKES. Do you find any difficulties in its operation, such as those pointed out by the Navy, for instance, which feels that more harm than good frequently is accomplished through the resentment of of the people who don't get it and who feel perhaps they are as entitled to it as the person who gets it?

General MOORE. If I may respond in this way, sir, I believe that we need a program such as the proficiency pay program or some good program to induce reenlistment.

Mr. FLOOD. There is no question about that. That is not responsive to the question.

Mr. SIKES. That's right, but—I want to hear from this witness.

Mr. FLOOD. You will hear it, but I say it is not responsive.

General MOORE. The really big problem we find with the proficiency pay system now is that we are never able to get enough money to carry it out like we think it ought to be carried out. We do have the inevitable result of having two men of the same rank working side by side, one having been put on proficiency pay doing the work and the other not.

Mr. SIKES. How could that be?

General MOORE. That could happen with the reassignment of an airman on proficiency pay to a place where one isn't in a particular skilled area. It happens infrequently.

Mr. SIKES. You don't keep a man on proficiency pay if he is assigned to a job where proficiency pay is not given, do you?

General MOORE. No, sir. We govern that by the skill areas, sir. The bulk of our proficiency pay, of course, is accorded to the electronics field where outside attractiveness is so high and where we are apt to lose these highly skilled people. That is where the bulk of it is applied.

Mr. SIKES. The Navy, for instance, suggested a larger reenlistment bonus would be preferable to proficiency pay. Has the Air Force given thought to that as a substitute?

General MOORE. We have not studied that program in great detail. The concept of a variable reenlistment bonus is a valid one we are sure, but we haven't addressed ourselves to it in great detail, as compared to the merits of the proficiency pay system.

Mr. SIKES. You prefer the proficiency pay system, with the changes that you have suggested?

General MOORE. We can operate the proficiency pay system if we can get the dollar support that we think it needs. I might state this: The Air Force would not oppose a new variable reenlistment bonus system if the Department of Defense decided that was best for the entire services.

#### PROFICIENCY PAY SYSTEM MANAGEMENT

Mr. SIKES. I am going to suggest that you prepare for the record a more detailed answer, showing your reaction to the proficiency pay system, your suggestions about its improvement, the amounts of money that would be required to accomplish what you think should be accomplished, and your discussion as to the weaknesses you have noted in it.

(The information requested follows:)

#### PROFICIENCY PAY

The Air Force awards proficiency pay to all career airmen in designated skills who are qualified at the journeyman level and above. Airmen in their initial enlistments and apprentices do not get proficiency pay. Because the Air Force is so technically oriented, most of our highly technical skills are heavily populated. The largest part of proficiency pay goes to electronics maintenance people who cost the most to train and are difficult to retain. At the present time the Air Force does not authorize this special pay for aircraft mechanics because their numbers are too great for inclusion in the approved program.

Proficiency pay is definitely effective, however, there are many other factors that induce people to choose and continue a military career—the interesting life, travel, the uniform, education and training opportunities, personal security, or even the opportunity to serve one's country.

As evidenced by the following rates, proficiency pay is an incentive to airmen to reenlist upon completion of their initial enlistments:

## 1st-term reenlistment rates

[In percent]

	Fiscal year 1961	Fiscal year 1962	Fiscal year 1963
Nonproficiency pay skills.....	25.25	35.36	35.43
P-1 skills (\$30 per month).....	19.17	34.20	32.83
P-2 skills (\$60 per month).....	14.61	39.34	40.62

NOTE.—Payment of P-2 introduced in September 1960.

The differential improvement in reenlistments between 1961 and 1963 was over 13 percent in P-1 skills but only 10 percent in nonproficiency pay skills. Considerable improvement in past periods is shown in the P-1 and P-2 skills, although the \$60 rate is the greater incentive.

It is pointed out that the above chart compares electronic systems maintenance people in the P-1 skills to truckdrivers, clerks, and cooks in the nonproficiency pay skills. Considering the relative competition in the civilian economy, it is believed that the fact that more people are reenlisting in the P-1 skills is evidence of the effectiveness of the \$30 rate.

Through personnel surveys last year, 9,000 airmen in proficiency pay skills and in their initial enlistments were interviewed at the career decision point. About 50 percent indicated that special pay would not induce them to reenlist; whereas, 1,300 said they would reenlist without a proficiency pay incentive. About 2,000 airmen said they would reenlist only because of proficiency pay. The remaining personnel declined reenlistment unless higher rates were paid for their skills (\$60 instead of \$30 and \$100 instead of \$60).

The current proficiency pay program costs about \$35 million annually. An optimum program would cost about \$60 million and would include payments to 15 percent (110,000) of our total airman strength at rates of \$50 for P-1, \$75 for P-2 and \$100 for P-3. Using the maximum rates authorized by Public Law 85-422, the optimum program would cost over \$70 million annually.

It is difficult to measure the returns from the proficiency pay program by an economist's standard. Through increased reenlistments individual training costs which range as high as \$12,000 or \$14,000 per man in certain skills can be reduced. However, training is not the only consideration in support of the proficiency pay program. Experience and continuity of a senior technician is also an asset to the defense effort. The monetary value of such experience has not been determined. Reenlistment rates are evidence that a differential pay is retaining highly trained airmen which avoids recurring training of new personnel.

No weakness in the proficiency pay system has been distinguished with respect to an adverse morale impact on airmen not receiving proficiency pay. The major weakness appears to be that a serious impact would occur if it should become necessary to reduce numbers of personnel currently receiving such pay. Air Force personnel are aware that this pay is not necessarily permanent, however, it has been accepted in most cases as a regular part of monthly income. Family operating budgets are based upon the gross income and less take-home pay would definitely lower the living standard of the airman and his family.

## COST OF PROFICIENCY PAY

Mr. FORD. What is the Air Force spending in fiscal year 1964 and what do you expect to spend in fiscal year 1965 on the proficiency pay program?

General MOORE. \$35 million.

Mr. FORD. For which year?

General MOORE. Both years. We asked for an increase up to \$52 million for fiscal year 1965 and we were sustained at the 1964 rate.

Mr. FORD. In other words, the Air Force feels that in this area, with this strength, you ought to have—

General MOORE. \$52 million.

Mr. FORD. Which is \$17 million more than what you have in the current year?

General MOORE. Yes, sir.

Mr. SIKES. Would be that be a level-off figure, or would further increases be requested?

General MOORE. I couldn't say that that would be a level-off figure. You have to analyze this year by year because of the changing demand for highly trained people on the outside.

#### ALTERNATIVE TO PROFICIENCY PAY

Mr. SIKES. Are there other steps which you feel would be more effective or equally effective as proficiency pay for keeping highly skilled personnel in an Air Force uniform? Submit that for the record. (The information requested follows:)

#### ALTERNATIVE BONUS SYSTEM FOR PROFICIENCY PAY

Another means that may be equally effective in retaining hard-to-keep, high training cost enlisted personnel would be the variable skill bonus. This would be a special bonus to be paid in a lump sum to airmen in selected skills at the expiration of enlistment contracts as an incentive to reenlist.

The skill bonus would be an add-on entitlement to the regular reenlistment bonus and would only be used for critical skills that present a retention problem. The Air Force believes that this type of compensation would be most effective at the first reenlistment point (4 years) and at the second reenlistment after 8 years. It may also be used at the 20-year point if too many early retirements of our experienced technicians compromises mission effectiveness.

The Air Force is studying all the ramifications of the variable skill bonus system. Based upon our findings including the best way to use it and phase out the proficiency pay system, a determination will be made concerning presentation as a legislative proposal.

Mr. FORD. May I ask another question, here, please?

Mr. SIKES. Yes.

Mr. FORD. What percentage of the people are now receiving pay, proficiency pay, in those skill areas where you believe proficiency pay is warranted?

Mr. FLOOD. And is it variable?

General MOORE. Right now we have—the total personnel we had on proficiency pay, or have on during the current period, 1964, is 83,269. Now, of that, 63,125 of them are in the electronics skills. Our program for fiscal year 1965 calls for retaining 80,000 on. Since we are in a position of having to readjust to the higher rates—we must relieve about 8,000 in order to put another 5,000 back on into higher wage brackets, and we wind up with 80,000 under the \$35 million program, of which 56,762 will be in the highly technical electronics field.

Mr. ANDREWS. Percentagewise, what is that of the total number of airmen you have?

General MOORE. Percentagewise that is about 10 percent.

Mr. ANDREWS. What effect, if any, does the proficiency pay to that 10 percent have on the morale of the other 90 percent of your airmen, those who do not receive proficiency pay?

General MOORE. You have a good point.

Mr. ANDREWS. That is the reason the Navy said they would like to have the reenlistment bonus, instead of proficiency pay, because of the bad effect that it had on the morale of those who did not receive proficiency pay.

## NUMBERS LIKELY TO BE ELIGIBLE FOR PROFICIENCY PAY

Mr. FORD. I think you have to be a little careful in accepting completely a statement in that regard. You can't say that you would, if you had a choice, give proficiency pay in one of the three categories to all of your enlisted personnel. Of the people on a first-term enlistment, I am sure there would be few, if any, to whom you would want to give proficiency pay. Isn't that correct?

General MOORE. That is correct.

Mr. FORD. How many would that wash out?

General MOORE. How many of the 80,000?

Mr. FORD. No. How many people within the first enlistment would be eligible for proficiency pay under any reasonable criteria? Very few?

General MOORE. Very few.

Mr. FORD. How many do you have in the Air Force now in that category?

General MOORE. On their first enlistment?

Mr. FORD. Right.

General MOORE. We would have about 250,000 airmen.

Mr. FORD. So you take 250,000 with a few exceptions right out of the ballpark?

General MOORE. That is right.

Mr. FORD. Do you pay proficiency pay to any of your enlisted flight personnel?

General MOORE. Not if they are on flight pay.

Mr. FORD. How many is that?

General MOORE. I see what you are driving at—about 25,000.

Mr. FORD. So you have 275,000 right there that you will not under any circumstances, with few exceptions, even included in the ballpark?

General MOORE. Right.

Mr. FORD. So that is 275,000 out of a total of how many?

General MOORE. 720,000.

Mr. FORD. So you have some 445,000-odd left and you propose to pay 80,000 proficiency pay. That is one out of five. If you are going to have any incentive, how much higher do you want it to go, or do you want to make it all-inclusive?

I do not fully understand the Navy's viewpoint, unfortunately I was not here when they had their discussion.

Mr. WHITTEN. I do not know that I heard all the Navy statement. My recollection is, their statement with regard to payment was a reenlistment bonus as against this approach. That being true, it did not seem to cover in any way the first term of enlistment. In other words, if I understood the Navy, they were suggesting, in order to get reenlistments of highly trained skilled technicians, the payment of a bonus would help rather than offering proficiency pay from that point forward.

Mr. ANDREWS. Admiral Smedberg said proficiency pay had a bad morale effect on the ones who did not get it. He admitted giving the reenlistment bonus would be accomplishing the same purpose, but the boy who did not get it would not see it.

Mr. WHITTEN. I followed up his presentation by saying if he thought he could give one boy \$3,000 for reenlisting and his wife will not tell all the other wives similarly situated, he did not know what he was talking about.

Mr. ANDREWS. I believe General Moore said this proficiency pay had a bad morale effect on those who did not get it.

General MOORE. That is right.

Mr. FORD. If proficiency pay is based on proficiency, and that is why we do it, why should we not regard the one more proficient than the other?

Mr. FLOOD. There is no question about that. No one disputes that.

The problem is, they do not get reenlistments because either the proficiency pay is not high enough, or it produces discrimination. There is no quarrel with the proficiency pay theory. It is sound. But they do not get reenlistments.

Admiral Smedberg thinks the best way to get them is to give them a bonus of \$4,000 or so to reenlist.

Mr. SIKES. I think that has been pretty well discussed.

Do you have a response to Mr. Ford's statement?

#### RELATIONSHIP OF REENLISTMENT RATE AND PROFICIENCY PAY

General MOORE. I would like to respond by pointing out, in the electronics field where we do have the bulk of our proficiency pay allocated, that the reenlistment rate has increased from 19.1 percent in 1961 to 23.7 percent in 1963.

Now, we do not have enough money in the program to cover all these very highly technical electronics areas. This is in the skill areas covered.

Mr. FORD. It would be interesting for you to come up with some other figures. I am sure you can get them.

How much did your reenlistment rate increase when you started giving reenlistment bonuses?

Was there a much more significant increase in reenlistments after the inauguration of this program?

Mr. FLOOD. That is not the point.

Mr. FORD. Get the facts in the record—what your reenlistment record was before the reenlistment bonus legislation was enacted, and what your reenlistment rates have been since. The record will speak for itself.

General MOORE. Yes.

(The information referred to follows:)

#### USAF airman reenlistment rates before and since enactment of bonus legislation

Fiscal year	First term <sup>1</sup>			Career			Total		
	Rate percent	Reenlistment	Eligible	Rate percent	Reenlistment	Eligible	Rate percent	Reenlistment	Eligible
1950.....	(1)	(1)	(1)	(1)	(1)	(1)	54.7	41,547	76,021
1951.....	(1)	(1)	(1)	(1)	(1)	(1)	55.4	47,488	85,753
1952.....	(1)	(1)	(1)	(1)	(1)	(1)	52.4	36,174	68,979
1953.....	(1)	(1)	(1)	(1)	(1)	(1)	66.7	19,180	28,746
1954.....	(1)	(1)	(1)	(1)	(1)	(1)	30.5	21,387	70,065
1955.....	14.4	28,676	198,980	70.2	27,024	38,516	23.5	55,700	237,496
1956.....	29.3	52,273	178,554	87.9	53,344	60,667	44.2	105,617	239,221
1957.....	36.5	41,477	113,708	91.4	32,049	35,057	49.4	73,526	148,765
1958.....	39.8	36,933	92,712	91.8	34,270	37,324	54.8	71,203	130,036
1959.....	45.7	34,940	76,512	92.9	35,968	38,707	61.5	70,998	115,219
1960.....	24.1	15,484	64,293	86.2	26,115	30,297	44.0	41,599	94,590
1961.....	23.5	14,522	61,915	88.8	59,237	66,679	57.4	73,759	128,594
1962.....	35.3	15,647	44,383	89.5	77,240	86,270	71.1	92,887	130,653
1963.....	36.8	13,711	39,018	85.6	54,341	63,626	66.7	68,052	102,644

<sup>1</sup> Specific detail for "First term" and "Career" not maintained by breakout.

## DEFINITIONS

**Rate:** Ratio of total reenlistments occurring in a given period to total eligible to reenlist occurring in the same period.

**Eligibles:** All airmen are eligible except these:

1. Discharged for cause.
2. In grade E-1 and E-2.
3. With over 5 days bad time (may be waived).

**First term:** Individual serving on an initial term of service in regular component of a service. Includes personnel with prior active service in other services or in a non-Regular component of the same service (Reserve, inductee).

**Career regular:** Individual serving on active duty for a second or subsequent term of service in the Regular component of a service.

The current reenlistment bonus (\$2,000 total) was implemented under section 208, CCA, 16 July 1954.

The actual total reenlistment rates are reported by fiscal year for the period 1950 through 1963. It is important to note that any analysis that attempts to relate reenlistments specifically to the bonus, must consider the effect of the several other emoluments, benefits, and environmental factors which influence reenlistments. It is, of course, impossible to establish a precise assessment of each factor because of the many interrelating and contributing effects.

Specific examples of fiscal years when unique environmental factors existed:

(a) The extremely low reenlistment rates experienced during fiscal years 1954-55 are related to the extraordinary number of enlistments during the national emergency of 1950-51. Voluntary enlistees during a period of military crisis generally do not remain beyond their initial commitment.

(b) The high reenlistment rate during fiscal year 1962 was a result of emergency action invoked during the Berlin situation. Airmen, possessing certain critical skills, were advised that, if they failed to reenlist, their enlistment contracts would be involuntarily extended 1 year.

**Mr. FLOOD.** Get three of your bright boys and have Smedberg and three of his long-haired jokers over for a drink. This admiral is a topflight personnel man. There is none better. He is retiring next month.

Why do you not get three of your boys to sit down with three of his boys and tell this committee what you think after you find out. This is a very bad problem. It is going to get worse.

#### EFFECT OF DEFENSE DEPARTMENT DIRECTIONS ON MORALE, RATES, AND EFFECTIVENESS

**Mr. SIKES.** May I ask a question—proficiency pay is going to be withdrawn from approximately 8,500 airmen according to your statement, General Moore, who are now receiving \$30 per month, so you may provide for rate increases and allow for normal expansion. Is that not going to result in a bad morale situation?

**General MOORE.** It will have a bad morale impact, yes.

**Mr. SIKES.** Do you think the good you will achieve from having the additional funds available will offset the bad morale factor?

**General MOORE.** We are hopeful it will. We doubt it will. We are encouraged to raise the rates.

**Mr. SIKES.** Do I take it this is not an action which originated with you, but came from another level?

**General MOORE.** Yes, sir.

**Mr. SIKES.** You do not concur in the wisdom of this step?

**General MOORE.** We were encouraged to raise the rates from P-1 to P-2 and certain rates from P-2 to P-3.

**Mr. SIKES.** Other services are making similar adjustments?

**General MOORE.** Yes.

Mr. FORD. The Army went in their third category up to \$100. You are going to \$75. Why do you not go to \$100?

General MOORE. We are trying to minimize the number of people who will lose proficiency pay in adjusting the rates. That is why we will take off a total of 8,500, but put back on 5,500. Our net number of people lost will be 3,000.

Mr. FORD. You would have preferred to go to \$100 as the Army has done and not lose any people in the process.

General MOORE. We would have preferred to stay at the same rate we were, since we were pegged at the same \$35 million, and not lose anyone in the process.

Mr. FLOOD. Do you use a variable on your proficiency pay, or does everyone get one figure?

General MOORE. No, sir.

As I understand it, each of the departments do not get one figure. We use a variable of P-1, 2, and 3.

Mr. FLOOD. But only that way?

General MOORE. Yes, sir.

#### AUTOMATED MANPOWER AND FISCAL MANAGEMENT

Mr. SIKES. Is the automatic data processing system for manpower management, presumably for appropriation control, compatible with the system in use or promised for the other services?

General DAVIS. I do not think we have attempted to make the automatic data processing system of the Air Force compatible outside the Air Force. We have made very strong efforts, and continue to make them, to be sure that the interfaces of manpower with the personnel system, and manpower with the programing people, who put out the deployment documents, are compatible. We have not to my knowledge investigated the compatibility with systems outside the Air Force except to the extent required by the Department of Defense.

#### PERSONNEL MALASSIGNMENTS

Mr. SIKES. The Army, according to GAO, has misassigned a number of technically trained enlisted personnel. In other words, personnel trained for one job is found to be doing something requiring much less skill.

What is the situation in the Air Force? Do you have a similar problem?

General MOORE. I do not think we have had a GAO inquiry into this.

Mr. SIKES. Undoubtedly you have a problem. It is one of these things that is almost inevitable.

What do you do to try to prevent the probability from becoming a serious problem?

General MOORE. We have a system, Mr. Sikes, in personnel management similar to the manpower validation teams. These are personnel assistance teams who go around making inspections to see the people are properly assigned. This is a continuing program.

If we assign them outside their specialty training, or if the commanders do, then our inspection system is designed to catch that.

Mr. SIKES. What happens if a man thinks he is misassigned? What can he do, and what do you do, to correct it?

General MOORE. If the man thinks he is malassigned, he has recourse to his unit commander, and to the inspector. He points out his complaints. The recourse is open. Then, if his situation is analyzed and if in fact there is a reason why corrective action is authorized to be taken by the local commander and everything is set up for him to do that.

Mr. SIKES. Do you encourage a man to ask for reassignment if he thinks he is improperly assigned?

General MOORE. Yes; he may do that if he thinks he is improperly assigned. We do have the normal abuses of this type of operation, and a misunderstanding on the part of the individual. We try to look at it very objectively.

#### PERMANENT CHANGE OF STATION TRAVEL

Mr. SIKES. I note that permanent change of station is proposed for 709,252. That is very close indeed to being one for each man in the Air Force in fiscal year 1965, which to this committee is an extremely high and perhaps unnecessarily high number.

What steps has the Air Force taken since the hearings of a year ago in order to hold down travel?

General MOORE. Mr. Sikes, of course, this problem is recurring all the time.

As we pointed out for the record, the bulk of these moves are caused by the relatively high input of new people, around 106,000 coming up next year, who, during their course of induction, being brought into the training center at Lackland, classified for technical training, and so forth, move about three times in the first year of their service. Of course, these are the least expensive moves because the bulk of these airmen are unmarried with no material to be moved.

Now, what have we done to improve the program?

We have studied the length of tours to try to stabilize movements of the career type people. We have made reductions. But about the time we get the reductions made, other big programing changes ensue, like the rotation of these units from overseas in the gold flow operation which offset to a great degree some of the things we did a year ago. We cannot take credit for improvement in that area.

#### ACTIONS TAKEN TO REDUCE CHANGE OF STATION

Mr. SIKES. Will you complete that answer for the record, listing anything that has been done in the past 12 months to accomplish a reduction in travel?

(The information referred to follows:)

#### MANAGEMENT ACTIONS—PERMANENT CHANGE OF STATION TRAVEL

##### A. ACTIONS TAKEN IN PAST 12 MONTHS

1. Stabilized tours of duty for:

- (a) Armed Forces examining stations (2 years).
- (b) Joint Air Force-Army recruiting station (2 years).
- (c) Air Force faculty members at National War College and Industrial College of the Armed Forces (3 years).
- (d) Personnel assigned to the Deseret Test Center, Utah (3 years).

- (e) Officers assigned to troop duty with the Military Training Center, Lackland AFB, Tex. (3 years).
2. Personnel selected for oversea duty receive a special medical screening.
  3. Alaskan Air Command granted authority to approve voluntary extension of enlisted oversea tours not to exceed a maximum of 60 months.

#### B. EXAMPLES OF PRIOR ACTIONS

1. Four-year tours for officers assigned to the air staff, special activities in the Washington area, and specified other activities such as base supply officers, CAP, ROTC, and certain types of instructor duty.
2. A minimum on station requirement of 18 months for Lieutenant Colonels and below, and all airmen other than first termers must serve a minimum of 18 months at the duty station to which assigned before being considered for reassignment to another duty station.
3. Minimum 3-year tour for personnel assigned to major command of numbered Air Force headquarters and for Air Training Command instructors.
4. Voluntary extension of oversea tours encouraged.

#### MOVES NEAR END OF TERM OF SERVICE

Mr. SIKES. Now will you tell me, what is Air Force policy with reference to a man who has less than a year to go and is up for reassignment?

Do you have a policy which provides that he be sent to a station which will keep travel for himself and his household goods at a minimum?

Before you answer that question, let me say that I have a number of cases of people complaining that they are being sent overseas, or all the way across country, with travel for themselves, their dependents and household goods, when they have less than a year to serve. It does not seem to me to be realistic. It is a costly thing.

What do you do to prevent that?

General MOORE. In the case of airmen who have indicated they are not going to reenlist, we would not move them under those circumstances.

Now, if we are to assume that the airmen are going to reenlist, then we assume they are in the Regular force. However, we do have restrictions on the assignment of people under certain conditions unless they have a normal tour left to do, particularly if they are going overseas. If we have a complaint for overseas assignments, there is an error somewhere.

Mr. SIKES. Do you attempt to conform to these restrictions?

Apparently these men are being sent out when they have less than a year to do.

General MOORE. Our policy is not to send them overseas to any locale unless they have enough time left to complete their tour in that area.

#### CHANGE OF STATION ACTIONS RELATED TO GOLD FLOW

Mr. SIKES. Have there been restrictions placed into effect by the Air Force in the past 12 months which would limit shipment of household goods, or other steps, which are intended to reduce the gold flow problem? Answer for the record, please.

(The information referred to follows:)

## PCS ACTIONS TO REDUCE GOLD FLOW

Factors affecting the appropriation, military personnel, Air Force, and having an impact on permanent change of station costs during fiscal year 1964 are listed below:

(a) Gold flow was decreased by use of category Z (American-flag commercial flight to and from overseas) for air passenger service. This resulted in a reduction in use of foreign-flag carriers amounting to an estimated \$1,500,000 during fiscal year 1964 for traffic originating at MATS terminating points.

(b) Actions taken during fiscal year 1964 to reduce oversea strength will reduce gold flow during fiscal year 1965. It is estimated that there will be approximately 12,700 less military moves to and from overseas during fiscal year 1965 than in fiscal year 1964.

No new actions were taken by the Air Force to decrease the joint travel regulation allowances for shipment of household goods and the 2,000 pound limit to those countries specified by the Secretary of the Air Force.

Mr. FORD. First, I should like to say that the statements by you, General Davis, and General Moore, are very helpful.

## PERSONNEL REDUCTIONS

On page 4 of your statement, General Davis, you point out in fiscal year 1965 there will be a net reduction of 19,935 personnel in the Air Force, of which 16,536 are military and 3,399 are civilian. That 16,000 breaks down how, by officers and enlisted personnel?

General DAVIS. The 16,000 breaks down, 1,550 officers and 14,986 airmen and cadets.

Mr. FORD. That is against a figure of what?

General DAVIS. The strength at end, fiscal year 1964, was 855,302 of which 132,230 were officers and 723,072 were airmen.

Mr. FORD. What is the Air Force's civilian personnel strength contemplated for June 30, 1964?

General DAVIS. About 292,000, sir.

I would like to furnish an exact figure for the record.

Mr. FORD. And against the 292,000 figure—

General DAVIS. I beg your pardon, sir.

The direct hire is 292,172 and the indirect hire is 34,289, so the total for end 1964 is 326,461.

Mr. FORD. This contemplated reduction in civilians of 3,399 breaks down how, between direct hire and other.

General DAVIS. Direct hire, 2,863 and 536 indirect hire.

Mr. FORD. And of the direct hire that will be released, how many within the continental limits and how many without.

General DAVIS. I do not have that figure. I must furnish that for the record.

(The information referred to follows:)

## DIRECT HIRE REDUCTIONS

Of the 2,863 direct hire civilians that will be released by the Air Force during fiscal year 1965, it is estimated that 2,506 will be in the continental United States and 357 will be overseas. Of these direct hire oversea reductions 207 are associated with the withdrawals of units from overseas (shown in previous summary entitled "Manpower Reductions Resulting from Withdrawals and Unit Deactivations Overseas in Fiscal Years 1964 and 1965"). The balance of 150 are productivity reductions.

## GREATER PROPORTIONATE REDUCTION IN MILITARY PERSONNEL

Mr. FORD. Based on these figures, it would appear to me that the uniformed personnel rather than the civilian personnel are getting the biggest cut.

General DAVIS. Between end fiscal year 1964 and end fiscal year 1965, the figures you have just gone through, that is correct.

Between end fiscal year 1963 and end fiscal year 1964, there is a substantial reduction in civilians. These figures are not shown on the table you have here, but there is a cut, or reduction, of about 6,000 that will take place between now and June 30 of 1964. So the major part of the civilian reduction is accomplished prior to the end of this fiscal year. This was by design.

It is most desirable to enter fiscal year 1965 with a strength that is pretty close to the planned end year strength. So consequently, we make every effort to reduce during fiscal year 1964 so we will have a more level program in fiscal year 1965.

Mr. FORD. When you were up here last year testifying on behalf of the fiscal 1964 budget, what did you tell us you were going to do both in military personnel and in civilian personnel?

(Discussion off the record.)

General DAVIS. Last year we indicated that we would reduce 8,931 military by end fiscal year 1964 and 6,831 civilians by end fiscal year 1964. Now, that is a total of 15,762.

This year our end fiscal year 1964 reductions are greater by 17,810.

Mr. FORD. Greater than what you forecast?

General DAVIS. Than the forecast at this time last year.

Mr. FORD. Is the 17,810 more than the 15,762?

General DAVIS. Yes.

Mr. FORD. How does this 17,000 plus break down, civilians and military?

General DAVIS. 4,698 military, sir, and 13,112 civilians more.

Mr. FORD. These figures would bear out a statement you made a few minutes ago to the effect that 6,000 were going to be let go in the latter part of fiscal year 1964?

General DAVIS. Yes, sir.

Mr. FORD. Now, these figures also indicate that in fiscal year 1964, at least, your pressure is on civilians on a relative basis; less on the military?

General DAVIS. Yes, sir, and the converse in 1965.

Mr. FORD. Why do we go the other way in 1965?

General DAVIS. It would be poor from a management standpoint to enter fiscal year 1965 with a number of civilians that were substantially greater than the end year figure.

Now the military is almost covered entirely by the force structure changes. The inactivations, redeployments and management actions that take place in fiscal year 1965 involve organizations largely manned with military.

Mr. FORD. I can understand, based on your prepared text and what you have said otherwise, how you are seeking to accomplish this objective in the military personnel.

Now, I raise the question whether you are being as firm and as systematic and as vigorous in the civilian area as you appear to be from your prepared statement on the military.

## MANAGEMENT OF CIVILIAN PERSONNEL REDUCTIONS

General DAVIS. To be very accurate, sir, the civilian ceiling constitutes a greater problem for the Air Force than does the military ceiling.

Mr. FORD. What ceiling now?

General DAVIS. The ceiling, sir, that is indicated in the budget.

Mr. FORD. As far as your point of view is concerned?

General DAVIS. As far as the management of these numbers to perform the Air Force mission, I feel the civilian reductions will cause greater difficulties in our major commands than the military reductions.

Mr. FORD. Do you have the flexibility in handling civilian personnel that you have in handling military personnel in these areas?

General DAVIS. I think that because they are civilian personnel, and carry a different status with respect to the military there is less flexibility in the movement of civilians. But the sheer numbers also constitute a problem.

## PRODUCTIVITY REDUCTIONS

Mr. FORD. What is a productivity reduction?

General DAVIS. A productivity reduction is a reduction that implies, I believe, that individuals and groups of people will produce more than they have in the past, so consequently you will need fewer numbers than you have needed in the past. It implies greater training of these individuals and groups of people. It implies higher morale and greater dedication, more effort by individuals, better leadership—all of these things are what is implied by increased productivity.

Mr. FORD. Do you have an accurate way of measuring this?

General DAVIS. No, sir. I wish we did. We need an accurate way. We have solicited from our major commands as much information as we possibly can, but so far we do not have anything that I would consider very substantive.

Mr. FORD. I do not mean to be critical, but you indicated a minute ago you had a ceiling imposed, civilian and military.

On the other hand, you talk about a productivity reduction. Is there any conflict?

In the one case you get an arbitrary ceiling and in the other you justify it on the basis of productivity reductions.

General DAVIS. I think the determination of the amount of reduction one is going to achieve through an increase in productivity is a matter of judgment which has been exercised by people of a higher level than I represent. This is generally applied to the civilian personnel.

In the case of the military personnel, although we are always attempting to achieve increased productivity we have not attempted to apply any such term to any military reductions that we take. We attempt to be more scientific in the development of our manpower requirements than the term productivity implies. Our manpower validation program is our chief means. It applies to civilian as well as military personnel.

Mr. FORD. I suspect you are somewhat hamstrung by rules and regulations and possibly by statutes in this area.

(Discussion off the record.)

Mr. ANDREWS. I would like to ask, General Moore, you mention on page 12 of your statement that you expect to enter 985 cadets into each new class at the Air Force Academy commencing in June 1964, and that this plan will raise cadet strength from 2,660 in June to 2,855 on June 30, 1964, and 2,960 at the end of fiscal year 1965.

Is that the final goal you are shooting at for the cadets out there?

General MOORE. Yes, sir. It is contingent upon the passage of the present increase in academies.

Mr. ANDREWS. Will that tax the facilities of the academies to the fullest extent?

General MOORE. Yes.

Mr. ANDREWS. 2,960 men?

General MOORE. Yes, and they will have to do some modification at that.

Mr. ANDREWS. What problem, if any, do you have that you know of?

General MOORE. In being able to take care of this load.

Mr. ANDREWS. Any problem generally?

General MOORE. We are not experiencing any real problem. Our desire is to increase the percentage of academy graduates in the officer corps.

Mr. ANDREWS. Are you satisfied with the progress that has been made at the academy?

General MOORE. Oh, yes, sir.

Mr. ANDREWS. This is its fifth year?

General MOORE. Yes, five classes have graduated.

Mr. SIKES. What does it rank scholastically compared to other institutions?

General MOORE. Very favorably. We have the accelerated—

Mr. SIKES. I know it is very favorable. They are doing an excellent job.

Is there not an actual listing that rates institutions according to excellence?

General MOORE. Yes, sir.

In competition with the graduating classes of 230 colleges and universities throughout the country, the Class of 1963 ranked first in social sciences, second in the natural sciences, and fourth in the humanities.

A further indication of the quality of the Academy's academic standards is the number of Rhodes Scholarships awarded to its graduates. In only five graduating classes since the establishment of the Academy, seven Rhodes Scholarships have been awarded to members of those classes. The class of 1963, in addition to receiving two Rhodes scholarships, also was awarded one Woodrow Wilson National Fellowship, three Fulbright Scholarships, and seven National Science Foundation Graduate Fellowships.

I would like Colonel Green to discuss further the question of Academy strength.

Colonel GREEN. I would like to clarify the record.

As far as the 2,960 is concerned, we will put in 985 per year for the next 4 years commencing this June, June 29. We will go above 2,960 each year, by the number that we increase above the normal

entry in the past which was about 750 to 770 per year. I have some information.

Mr. SIKES. What will be the top load out there when you have completed this program—2,960?

Colonel GREEN. No, sir.

Mr. SIKES. That is what I gathered that General Moore at least implied.

Colonel GREEN. In clarification the 2,960 is at the end of 1965, but it will go up progressively each year as we enter 985 freshmen instead of the normal 770, or 750 that we have in the past.

Mr. SIKES. What will be your peak load out there when you reach the goal you are shooting at?

Colonel GREEN. Eventually under the legislation being considered by the Congress at this time, we will achieve a cadet man-year load of 4,211. The level of cadet end-year strength will be 4,417.

Mr. SIKES. 4,417?

Colonel GREEN. 4,417.

At one point in time, at one day in the year. As you know, we have about a 25 to 30 percent attrition, but the authorized strength of the Academy under the legislation currently being considered is 4,417 compared to 2,529 at the present time.

#### ADDITION TO ACADEMY FACILITIES

Mr. SIKES. That will require considerable addition in facilities, is that not correct?

Colonel GREEN. That is correct.

At the present time we are only having considered by the Congress the authority to increase the strength, and of course we will need separate legislation each year as we ask for facilities we require.

Mr. SIKES. Do you have a ball park figure of the total cost of the additional facilities that will bring you to the 4,400-plus cadet strength figure?

Colonel GREEN. Approximately \$40.7 million total construction requirements to take care of all our needs.

Mr. SIKES. That would be an optimistic guesstimate, would it?

Colonel GREEN. No, sir. This is an estimate based on much research.

Mr. ANDREWS. Did I understand you to say that you will have the 4,400-plus cadets there only for 1 day a year?

Colonel GREEN. That is right.

Mr. ANDREWS. What will be your top cadet strength during that year? How many students will you have?

Colonel GREEN. We will average about 4,200 cadet man years when we achieve the 4,400 strength.

Mr. ANDREWS. That will be the full strength you hope to have, 4,400 students?

Colonel GREEN. That is right.

#### ATTRITION RATE AT ACADEMY

Mr. ANDREWS. Did you say your attrition rate was about 25 percent?

Colonel GREEN. Twenty-five to thirty percent.

Mr. ANDREWS. Is that high?

Colonel GREEN. That is normal.

Mr. ANDREWS. How does it compare with the Army and the Navy?

Colonel GREEN. It is comparable. We have a comparable attrition rate to the Military Academy and the Naval Academy, sir.

Mr. ANDREWS. Do you mean by that that you graduate about 75 percent of your freshman class?

Colonel GREEN. That is right.

For example, in the past we have been putting in about 750 freshmen and we have been graduating from 500 to 550.

Mr. ANDREWS. Can you tell us what the resignation rate of your graduates is? Put a chart in the record for us showing who graduate, or have you been there long enough to establish a record?

Colonel GREEN. No, sir. We have only had five graduating classes. Our first class graduated in 1959. Our fifth class graduated just this past June. All graduates go on active duty for 4 years, minimum. Those who entered flying training will serve 5 years. We have not had any graduates at the 5-year point at this time.

Mr. ANDREWS. They have not had an opportunity to resign yet?

Colonel GREEN. That is correct.

#### NUMBERS OF AND TRAINING OF PERSONNEL AT MISSILE SITES

Mr. FORD. How many Air Force military personnel are stationed at missile launching sites and would participate in the launching of ICBM's if the order was given to launch?

General DAVIS. We do not have that information immediately available, Mr. Ford. With your permission, we will furnish it for the record.

Mr. FORD. How many of these people as of now have participated in an actual launching of an ICBM and what is the Air Force's policy in the training of such personnel?

General DAVIS. I can describe that, sir.

We have a program at Vandenberg Air Force Base today which calls for the movement of missiles from operational units throughout the United States to Vandenberg, the movement of the actual missile. We also move the launch crews from the operational sites to Vandenberg to launch their missiles. So this is about as realistic under the existing conditions as we can possibly get. This program has been going on now for many, many months.

Mr. FORD. How frequently does such a crew go through this exercise?

General DAVIS. I would have to get that information for the record also, sir.

Mr. FORD. Can you describe for us the process they do go through when they go to Vandenberg?

General DAVIS. Yes.

Mr. FORD. How many launches they actually participate in, if any. I know they probably have a number of simulated launchings.

General DAVIS. Certainly, I will furnish that information for the record.

(The information referred to follows:)

#### PERSONNEL STATIONED AT MISSILE LAUNCH SITES

The number of military personnel stationed at a missile launching facility, as well as the participants in an actual launch, vary according to the type mis-

sile. This is due to increased sophistication in the guidance systems as well as the degree of automated controls in the follow-on weapon system. For these reasons, the number of personnel involved in the "wet" or liquid systems are indicated by type weapon:

	ATLAS D	ATLAS E	ATLAS F	TITAN I	TITAN II
Number stationed at facility.....	22	6	6	11	5
Number participating in launch <sup>1</sup> .....	9	4	4	5	3

<sup>1</sup> There are safety procedures established that insure positive control over the capability to actually launch a missile in all systems. In the ATLAS/TITAN weapon systems, the launch signal must be a cooperative effort between the wing command post and the missile launch crew.

The MINUTEMAN system differs from the ATLAS/TITAN in the following aspects:

(a) The launch facility, or missile silo, is unmanned. The launch control facility is manned, and consists of a "soft" facility above ground with the launch capsule underground. The soft facility is the forward operating station for maintenance, repair, and security teams. The number of personnel responsible for the operation of the soft facility is five. The launch crew consists of two launch control officers in the launch capsule.

(b) In the actual launch of a MINUTEMAN, one launch crew in conjunction with personnel at other launch control facilities must act in concert during missile launch.

It should be pointed out that the personnel positioned at each site, in all systems, are on a rotational basis from a supporting base. In addition to the regular site personnel, there are personnel performing maintenance and repair whose numbers fluctuate as required.

The numbers of crews who have participated to date in an actual launch is relatively small, less than 10 percent of our crews. The firing schedules for the future provide for increased participation. By "participation" we mean either performing the actual firing of the operational missile or, in case of the liquid systems, watching "over the shoulder." Participation in live shots is limited by the number of missiles available to be expended for training purposes. Obviously, the cost of providing each crew with experience in an actual firing would be prohibitive in view of the cost of the ICBM weapon itself, which is not reusable, and the cost of preparation for a launch. For these reasons the Air Force has developed a system of launch simulation which is very comprehensive and is considered even more realistic than present day aircraft simulations. The feasibility of a high degree of realism in launch simulators is due to the fact that the launch of a missile is electrically controlled in actual launch through a series of launch control consoles.

#### PARTICIPATION IN MISSILE LAUNCHES

The process which culminates in the actual launch at Vandenberg is in three phases. In the first phase the missile to be fired is selected at an operational location and shipped to Vandenberg for preparation and subsequent launch. In the second phase, all of the crews associated with the operational launch site go to Vandenberg where they participate in the preparation of the missile prior to the actual firing exercise. In the final phase, when the weapon system is in firing position, one crew actually performs the launch and in certain cases the remaining crews observe "over the shoulder."

Normally a crew will not repeat the firing experience at Vandenberg because of the number of crews we have in relation to the number of missiles on the firing schedule. The length of time a crew stays at Vandenberg during these training shots varies from 10 to 21 days, depending on the type of missile.

But it should be pointed out that the launch crew is in a constant and continuing training program, from the initial individual training in the Air Training Command, through the operational readiness training at Vandenberg Air Force Base (at which time the crews are formed), to the combat crew upgrading program at the operational unit. At the operational base, a controlled program is conducted by classroom demonstrations and handling the actual hardware on nonalert sites, on alert sites when training will not degrade emergency war order status, during scheduled maintenance activity, and during unscheduled maintenance downtime.

Currently the crews simulate launch during their operational readiness training at Vandenberg when the crews are initially formed. Also, trainer-simulators are presently being placed at each base.

Mr. FORD. I am interested in the frequency with which they go to Vandenberg, and the frequency they actually launch one of their missiles. I am talking about an operational crew.

General Davis. I understand that.

Mr. FORD. How long they stay there, a week, 2 weeks, or a month.

Again, I think your testimony and prepared statements were very helpful.

Mr. SIKES. Thank you very much. Your testimony has been very helpful and interesting.

#### REASONS FOR INCREASED COSTS IN 1965

General MOORE. I feel I responded inadequately to an earlier question from Mr. Andrews on why we have a descending force structure and we are asking for \$34 million more for fiscal year 1965.

There are about six major factors. I should like with your permission to enter a chart in the record and explain this, sir.

Mr. ANDREWS. I will be glad to see it.

(The information referred to follows:)

#### REASONS FOR INCREASED COSTS

Table I shows the fiscal year 1964-65 estimated costs and net differences between the fiscal years in budget activities in the appropriation, "Military personnel, Air Force:"

TABLE I.—*Summary of military personnel, Air Force, fund requirements*

[In thousands]

Budget activities	Fiscal year 1964	Difference	Fiscal year 1965
Pay and allowances of officer.....	\$1,364,600	+\$16,400	\$1,381,000
Pay and allowances of enlisted personnel.....	2,481,200	+35,600	2,516,800
Pay and allowances of cadets.....	5,500	-400	5,100
Subsistence of enlisted personnel.....	270,800	-7,000	263,800
Permanent change of station travel.....	304,500	-10,900	293,600
Other military personnel costs.....	3,400	+300	3,700
Total.....	4,430,000	+34,000	4,464,000

Table II shows the changes in end strengths between fiscal year 1964 and fiscal year 1965 and average strength differences between the 2 years.

TABLE II.—*Summary of military personnel changes*

	Fiscal year 1964	Difference	Fiscal year 1965
Officers:			
End-year strength.....	132,230	-1,550	130,680
Man-years.....	133,253	-1,297	131,956
Airmen:			
End-year strength.....	720,029	-14,903	705,126
Man-years.....	728,985	-15,408	713,577
Aviation cadets:			
End-year strength.....	188	-188	0
Man-years.....	348	-289	59
Air Force Academy Cadets:			
End-year strength.....	2,855	+105	2,960
Man-years.....	2,503	+183	2,686
Total Air Force:			
End-year strength.....	855,302	-16,536	838,766
Man-years.....	865,089	-16,811	848,278

Table III shows the major elements which increased fiscal year 1965 costs over fiscal year 1964 and also shows how the decrease in strengths offset them.

TABLE III.—*Summary of cost changes*

	<i>In thou- sands</i>
Pay and allowances of officers:	
Reduction of 1,297 man-years.....	-\$13, 282
Increase in cost per man-year principally due to pay raise <sup>1</sup> .....	+29, 682
<b>Total.....</b>	<b>+16, 400</b>
Pay and allowances of airmen:	
Reduction of 15,408 man-years.....	-52, 442
Increase in cost per man-year principally due to pay raise <sup>1</sup> .....	+88, 042
<b>Total.....</b>	<b>+35, 600</b>
Pay and allowances of cadets: Phaseout of aviation cadets.....	-4, 000
Subsistence of enlisted personnel: Reduction of 15,408 man-years.....	-7, 000
Permanent change of station travel: Reduction in oversea moves due to curtailment of numbers overseas.....	-10, 900
Other military costs: Death gratuities increase for pay raise.....	+300
<b>Net increase over fiscal year 1964.....</b>	<b>+34, 000</b>

<sup>1</sup> The Uniformed Services Pay Act of 1963 (Public Law 88-132) became effective Oct. 1, 1963.

Fiscal year 1964 pay raise costs are estimated at \$286 million for 9 months. Fiscal year 1965 costs for a full year at the new pay rates approximate \$386 million or an increase of \$100 million above the fiscal year 1964 estimate. As indicated above, strength decreases which will occur in fiscal year 1965 are the principal reasons for a reduction of this cost increase to \$34 million.

WEDNESDAY, JANUARY 22, 1964.

## RESERVE PERSONNEL, AIR FORCE

### WITNESSES

MAJ. GEN. THOMAS E. MOORE, DIRECTOR OF PERSONNEL PLANNING, DEPUTY CHIEF OF STAFF, PERSONNEL  
COL. THOMAS A. TWOMEY, OFFICE OF SPECIAL ASSISTANT TO THE SECRETARY OF THE AIR FORCE

### Object classification

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct obligations:			
11 Personnel compensation.....	33, 908	40, 663	41, 801
12 Personnel benefits.....	6, 462	8, 058	8, 229
21 Travel and transportation of persons.....	1, 960	2, 276	2, 309
25 Other services.....	192	361	385
26 Supplies and materials.....	6, 027	6, 319	6, 452
42 Insurance claims and indemnities.....	4	23	24
<b>Total direct obligations.....</b>	<b>48, 553</b>	<b>57, 700</b>	<b>59, 200</b>
Reimbursable obligations: 26 Supplies and materials.....	15	45	45
<b>Total obligations.....</b>	<b>48, 568</b>	<b>57, 745</b>	<b>59, 245</b>

## Program and financing

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
<b>Program by activities:</b>			
Direct program:			
1. Reserve component personnel.....	42,104	50,222	51,350
2. Reserve officer candidates.....	6,449	7,478	7,850
Total direct obligations.....	48,553	57,700	59,200
Reimbursable program:			
1. Reserve component personnel.....	4	17	16
2. Reserve officer candidates.....	11	28	29
Total reimbursable obligations.....	15	45	45
Total obligations.....	48,568	57,745	59,245
Financing:			
Advances and reimbursements from—			
Other accounts.....	-8	-35	-35
Non-Federal sources (10 U.S.C. 9627).....	-7	-10	-10
Unobligated balance lapsing.....	147		
New obligational authority.....	48,700	57,700	59,200
New obligational authority:			
Appropriation.....	50,100	55,100	59,200
Transferred to "Emergency fund, Defense" (76 Stat. 334).....	-1,400		
Appropriation (adjusted).....	48,700	55,100	59,200
Proposed supplemental due to Uniformed Services Pay Act of 1963.....		2,600	

Mr. SIKES. The request for the appropriation, "Reserve personnel, Air Force," is \$59,200,000.

We shall insert in the record pages 5, 6, 9 through 11, 13, 49, and 51 of the justifications.

(The pages referred to follow:)

## RESERVE PERSONNEL, AIR FORCE

## Summary of requirements

[In thousands]

Program No.	Title	Fiscal year 1963 actual	Fiscal year 1964 estimate	Fiscal year 1965 estimate
	(1)	(2)	(3)	(4)
750	Reserve personnel.....	\$42,108	\$50,239	\$51,366
770	Reserve officer candidates.....	6,460	7,506	7,879
	Total, program requirements (obligations).....	48,568	57,745	59,245

## PROGRAM 750

## Summary of requirements by project

[In thousands]

Project No.	Title (1)	Fiscal year 1963, actual	Fiscal year 1964, estimate	Fiscal year 1965, estimate
		(2)	(3)	(4)
751	Pay and allowances, active duty for training, officers	\$11,370	\$12,671	\$11,768
752	Pay and allowances, active duty for training, enlisted personnel	6,636	7,935	8,097
753	Pay and allowances, inactive duty training, officers	11,315	14,361	15,052
754	Pay and allowances, inactive duty training, enlisted personnel	7,985	9,943	11,180
755	Individual clothing, and uniform gratuities	2,162	1,969	2,048
756	Subsistence in kind	946	1,472	1,468
757	Travel, active duty for training, officers	809	785	668
758	Travel, active duty for training, enlisted personnel	830	1,043	1,022
759	Other costs	55	60	63
Total, program requirements (obligations)		42,108	50,239	51,366

## U.S. Air Force Reserve participating personnel in paid status

	Pay group	Paid drills	Paid days of active duty for training	Fiscal year 1963 (actual)		Fiscal year 1964 (current year)		Fiscal year 1965 (budget year)	
				Average	End	Average	End	Average	End
				Officers	A	48	15	6,431	7,388
Enlisted	24,457	25,552	26,253	28,285				29,781	31,285
Officers	B	24	15	7,758	7,018	6,788	6,615	6,175	6,445
Enlisted				14,551	16,049	15,850	16,290	12,135	13,128
Enlisted	F	0	120-180	1,878	2,600	2,001	1,950	1,857	1,950
Drill pay, nonprior service:									
Officers				14,189	14,406	14,421	14,475	14,198	14,637
Enlisted				40,886	44,201	44,104	46,525	43,773	46,363
Total				55,075	58,607	58,525	61,000	57,971	61,000
Officers	D	0	15	8,158	8,158	8,160	8,160	6,595	6,595
Enlisted				560	560	565	565	580	580
Officers	E	0	30	123	123	120	120	140	140
Enlisted				218	218	175	175	185	185
Other paid status:									
Officers				8,281	8,281	8,280	8,280	6,735	6,735
Enlisted				778	778	740	740	765	765
Total				9,059	9,059	9,020	9,020	7,500	7,500
Total paid participants:									
Officers				22,470	22,687	22,701	22,755	20,933	21,372
Enlisted				41,664	44,979	44,844	47,265	44,538	47,128
Total				64,134	67,666	67,545	70,020	65,471	68,500

## Officer grade distribution—Pay groups, fiscal year 1965

[In percentage]

Grade	A	B	D and E
General	0.3	0.4	0.1
Colonel	3.0	3.6	3.1
Lieutenant colonel	7.6	12.7	21.2
Major	28.4	34.9	50.4
Captain	47.8	41.1	22.9
1st lieutenant	11.1	7.0	2.1
2d lieutenant	1.8	.3	.2
Total	100.0	100.0	100.0

## Enlisted grade distribution—Pay groups, fiscal year 1965

[In percentage]

Grade	A	B	D. & E.	F
E-9	0.3	0.1	0.1	
E-8	1.3	.7	.3	
E-7	5.8	11.0	25.4	
E-6	6.2	6.5	10.6	
E-5	17.8	22.8	25.6	
E-4 (over 4 years)	11.0	11.2	9.8	
E-4 (4 years and under)	5.5	4.3	1.3	
E-3	32.9	23.1	11.3	0.5
E-2	17.6	16.9	13.1	53.2
E-1	1.6	3.4	2.5	46.3
Total	100.0	100.0	100.0	100.0

## Participation percentages

Pay group	Paid drills	Active duty for training		Fiscal year 1963, actual	Fiscal year 1964, estimated	Fiscal year 1965, estimated
		Paid days	Personnel			
Inactive duty:						
A	48 (units)	15	{ Officers Enlisted	98 90	96 90	96 90
A	48 (individuals)	14	{ Officers Enlisted	91 76	92 77	92 77
B	24 (units)	15	{ Officers Enlisted	93 78	93 80	93 80
B	24 (individuals)	14	{ Officers Enlisted	77 50	81 59	81 59
A	36 additional drills (units)		{ Officers Enlisted	81 45	82 48	82 48

## PROGRAM 770: RESERVE OFFICER CANDIDATES

## Summary of requirements by project

[In thousands of dollars]

Project No.	Title	Fiscal year 1963, actual	Fiscal year 1964, estimate	Fiscal year 1965, estimate
	(1)	(2)	(3)	(4)
771	Pay and allowances, AROTC	2,904	3,636	3,847
775	Individual clothing, AROTC	3,119	3,278	3,358
776	Subsistence-in-kind, AROTC	117	180	202
777	Travel, AROTC	320	412	472
	Total requirements (obligations)	6,460	7,506	7,879

The following schedules reflect the actual and estimated academic enrollment and students attending summer camp:

*Enrollment*

	Actual, fiscal year 1963			Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Begin	End	Average	Begin	End	Average	Begin	End	Average
Air science I.....	57,574	45,307	51,441	61,111	48,198	54,655	61,111	48,198	54,655
Air science II.....	33,795	28,612	31,204	34,210	29,126	31,668	36,300	30,906	33,603
Air science III.....	6,235	6,123	6,203	6,604	6,169	6,387	6,868	6,416	6,642
Air science IV.....	4,735	3,944	4,444	6,014	5,369	5,692	6,370	5,687	6,029
Total enrollment.....	102,339	83,986	93,292	107,939	88,862	98,402	110,649	91,207	100,929

*Students attending summer camp*

Fiscal year 1963	Fiscal year 1964	Fiscal year 1965
2,254 students during July 1962 for 14 days.	2,744 students during July 1963 for 13 days.	3,392 students during July 1964 for 11 days.
1,713 students during July 1962 for 28 days.	2,580 students during July-August 1963 for 28 days.	3,008 students during July-August 1964 for 28 days.
2,744 students during June 1963 for 15 days.	3,392 students during June 1964 for 17 days.	3,528 students during June 1965 for 18 days.
Camp days, 118,833.	Camp days, 165,576.	Camp days, 185,040.

GENERAL STATEMENT

Mr. SIKES. We shall be glad to hear from you, General Moore.

General MOORE. Mr. Chairman and members of the committee, as Director of Personnel Planning, which includes responsibility for both the Regular and Reserve Forces, I will present to you the requirements of the Reserve Personnel Appropriations for fiscal year 1965. Additionally, we will discuss our Reserve Program regarding its policies, objectives, and accomplishments.

For fiscal year 1965 we are requesting \$59.2 million, of which \$51.3 million is for the Air Force Reserve, and \$7.9 million for the Air Force ROTC program.

This appropriation request will provide support for the following (figures rounded):

a. 61,000 Air Force Reservists participating in a drill pay status. (Reference table on p. 316.)

b. 7,500 Air Force Reservists who are paid only for their annual active duty tours.

c. 84,800 active duty man-days for special training tours.

d. 45,000 active duty man-days for service school training tours.

e. 101,000 annual average student enrollment in AFROTC.

I would now like briefly to state the policies, objectives, and some accomplishments of the Air Force Reserve Program. I believe this will help to establish a common frame of reference for the reserve appropriation.

It is the Air Force policy to establish the Air Reserve Force structure as part of the planned overall Wartime Requirements.

The objectives of the Air Reserve Forces are to recruit, train, and maintain an augmentation force of combat ready units and indi-

viduals, completely responsive to the needs of the Active Air Force in any emergency or contingency. Our paid Ready Reserve includes only those Reservists who are, in fact, available for immediate recall. This "ready now" augmentation concept is an essential part of Air Force planning and operations.

Although I am sure you are thoroughly familiar with the performance of the Air Reserve Forces during the Berlin and Cuba contingencies, it is important to realize that the use of Reserve Forces in these two contingencies has added greatly to their value. They are now a recognized part of our total deterrent to would-be aggressors.

The in-being capability of the Air Reserve Forces is not only a significant asset as a deterrent; it also pays dividends through the performance of productive peacetime missions for the Air Force as a byproduct of the Reserve training program. Let me give you a few examples:

a. During the past year, the Air Force Reserve troop carrier wings furnished more than half of the required Air Force support for Army airborne training.

An example of this type support is Swift Strike III, the Air Force and Army joint exercise which provided realistic peacetime training for the combat-ready Regular and Reserve Forces of the United States. This maneuver is the largest U.S. Strike Command joint training exercise to date.

Swift Strike III provided a complete test of the joint Air-Ground task force concept represented by the U.S. Strike Command. An important secondary purpose of this exercise was its use as a testing ground for new concepts, procedures and equipment being used by the Air Force and the Army.

Augmenting the forces in this exercise were Air Force Reservists from 16 troop carrier groups and 5 recovery squadrons. Reservists from the troop carrier groups flew more than 1,300 sorties, airdropping 6,000 paratroops, landing 5,000 infantrymen, and transporting some 3,000 tons of cargo. Reservists from the recovery units served in direct support of STRICOM's director-controller base at Spartanburg, S.C., and at a deployment site located at Bush Field, Augusta, Ga.

b. The five Air Force Reserve troop carrier groups equipped with C-124 Globemasters were transferred from the gaining command jurisdiction of Tactical Air Command to the Military Air Transport Service on July 1, 1963, based upon their global cargo and personnel carrying mission. These are the same five units which served on active duty during the Berlin recall of 1961-62. These units are now required to perform training flights along MATS oversea routes. Reservists from the 78th Troop Carrier Squadron recently successfully accomplished their first global airlift training mission. They flew their C-124 aircraft from Barksdale AFB, La., to Tachikawa AB, Japan. These training missions allow better training of all aircrew members and increase substantially MATS potential global airlift capability.

c. This past year, two Reserve air terminal squadrons, also committed to Military Air Transport Service, performed their annual 15-day active duty tours at U.S. oversea bases. They stepped into air terminal operations of the active Air Force and accomplished duties normally performed by active force personnel, and they did it smoothly

and professionally. These units were from Donaldson AFB, S.C., and Park Ridge, Ill.

These are only a few examples. There are many other accomplishments of individual mobilizations assignees and special missions performed by various Reserve units.

#### UNIT PROGRAM

The Air Force Reserve Unit Structure includes flying units and nonflying support units. The flying units consist of 15 troop carrier wings with 45 groups and five air rescue squadrons. There are 344 nonflying support units. These include recovery units, hospitals, casualty staging units, aeromedical evacuation units, mobile communication squadrons, air terminal squadrons and aerial port squadrons. All of these units have a wartime mobilization assignment to Major Air Commands. They receive the same training supervision and inspection as active force units.

Five of the troop carrier groups are equipped with C-124 Aircraft, three groups with C-123 assault type Aircraft, and the remaining 37 groups with C-119 "Flying Boxcars". The five air rescue squadrons are now equipped with HU-16 Aircraft. During FY 1965 the rescue squadrons will be equipped additionally with HC-54 Aircraft.

Most reservists in the unit program are paid for 48 inactive duty drills and 15 days active duty annual training. The exceptions are the recovery units with only 24 inactive duty drills, and the air crews, who are authorized an additional 36 flying training drill periods. Extra periods for aircrews are needed to maintain the same degree of proficiency as active force flying personnel. The excellent readiness status of these reservists has been brought about largely because of these additional drill periods.

The 52,500 strength programed for end fiscal year 1965 in the Reserve Units will give us 82 percent manning in the flying units and 67 percent manning in the non-flying support units. This represents an increase of 5 percent for the flying units because of their priority mission requirements in support of the active force. The non-flying support units, excluding recovery, were limited to an increase of only 2 percent in manning so as to remain within the 61,000 drill pay ceiling.

#### RECOVERY PROGRAM

The recovery program remains as a vital part of the reserve program. However, it is now in the process of being refined to support the requirements of the overall Air Force Survival, Recovery and Reconstitution Plan. The personnel strength of 14,900 programed for end fiscal year 1965 is a decrease of 3,300 from the end fiscal year 1964 position. The reservists lost from this program during this refinement will be given every opportunity and encouragement to affiliate with other reserve elements.

#### AIR FORCE ROTC

The objective of the Air Force ROTC is to provide officers for the Active Air Force. Except for a small number of veterans, the ROTC program does not provide officers for direct entry into the Air Reserve Forces.

Air Force ROTC will be offered in 172 colleges and universities and 14 subdetachments, which will make Air ROTC available on 186 campuses during fiscal year 1965. Also, 167 institutions are under contract to offer flying training to Air ROTC Cadets during fiscal year 1964.

The anticipated student average enrollment is 100,900, of which 88,300 will be in the Basic Course and the remaining 12,600 in the Advanced Course. This will give us a planned production of 4,635 ROTC Commissioned Officers for the active force during fiscal year 1965.

#### SUMMARY

In summary, of the total \$59.2 million requested, \$51.3 million is for the Air Force Reserve and \$7.9 million is for the Air Force ROTC. We plan to operate 15 troop carrier wings, 5 air rescue squadrons, 58 miscellaneous units, and the recovery program as determined in the refinement process. We have planned that by the end of fiscal year 1965 we will have in these units and within our individual programs 21,400 officers and 47,100 airmen participating in a pay status.

Additionally, we have programed training for approximately 3,100 reservists in various military schools. Also, the special tour program will provide additional required training for a total of 11,000 officers and 9,300 airmen.

With the programed increase in Reserve Unit Manning and the refinement of the recovery program, we feel that the Air Force Reserve will be more capable of carrying out its assigned mission to augment the active force in contingencies and declared emergencies.

We solicit your continued support.

Gentlemen, this concludes my presentation.

Mr. SIKES. Thank you, General Moore.

#### EFFECTIVENESS OF RECOVERY PROGRAM

Is the reduction of the recovery program in any way related to the recent GAO study which was somewhat critical? In fact, I will quote from that proposed report as follows:

The report shows that the Air Force established reserve recovery squadrons at 200 airports in the United States before ascertaining the needs of the major Air Force commands the stations were intended to serve. As a result, 131 of the 200 reserve recovery squadrons have been located since their formation in July 1961, either at airports that do not meet the needs of the major using Air Force commands, or at airports which were already occupied by military units capable of performing the mission assigned to the recovery squadrons.

That is a rather serious indictment. I am sure the Air Force has a response. I would like to hear it, as a prelude to my question as to whether the reduction in the recovery program is related to this GAO study.

Colonel TWOMEY. There is a relationship, but we consider it to be coincidental. The recovery program was a new one. It was in the process of assessment and reassessment, in the process of refinement. We were working very closely with the major air commands, with the units themselves, to reaffirm and harden the justification of each unit. At the time the GAO report was issued, we had not yet completed our refinements and so made an interim reply.

There is now in the hands of the Department of Defense a more or less completed assessment of what our recovery program is and of what it should consist and there are some stronger and more firm justifications established.

Mr. SIKES. This would indicate that the recovery program was initiated without an adequate study of the actual requirements. Is that true?

Colonel TWOMEY. I wouldn't go quite that far, sir. We found some deficiencies in the kind of individual training we were providing for certain types of reservists. We felt that the unit program, given a real mission, would use their talents more effectively and make them on the whole more realistically available to us in the event of an emergency. We moved into something that we thought was constructive and something we thought had great possibilities. We weren't able to get the refined product immediately. We learned things as we went along. As it happened, the report was issued before we had completely looked at the thing and got it underway.

Mr. SIKES. You feel that you now have a realistic program, either in being or in the process of accomplishment?

Colonel TWOMEY. Yes, sir, we have a realistic program to the extent that we find a given number of absolutely firm sites. We have identified some others which have potential—given certain others consideration—and we have identified a limited number which we do feel do not have a justification.

Mr. SIKES. Does this committee have available from you a listing of the changes in the program?

Colonel TWOMEY. No, sir, not at the moment, because the status—really, the position we are in now, we have recommended these things to the Department of Defense and their assessment has not yet been completed, so we are not in a position to make a positive statement of the status of each unit.

Mr. SIKES. Keep this committee informed on what is accomplished.

Colonel TWOMEY. Yes, sir.

#### ABILITY TO AFFILIATE WITH OTHER UNITS

Mr. SIKES. When units are closed or when there is a reduction in the Reserve program and men are no longer able to carry their Reserve activities with a particular unit, how realistic is your statement that you help them to affiliate with other units? Are there other units generally available for them to affiliate with?

Colonel TWOMEY. Geography is always a limitation. There is no question about that. But we do consider it our first consideration to attempt to give the individual a reasonable opportunity to get affiliated with another unit. And by the way, a plan for doing exactly that in the case of the recovery units is now underway—assuming what we have told the Department of Defense is accepted by them and finally approved.

Mr. SIKES. What percentage of Reserve personnel will, in your opinion, be able—what percentage of those who will be affected will be able to affiliate with other units?

Colonel TWOMEY. I would have to give you one right off the top of my head on that. We would hope for 75 percent.

No one by the way to my knowledge would be completely shut out. He may not be able to affiliate with a unit or he may not be able to get a so-called mobilization assignment, but he still will be able to participate through the Extension Course Institute program, which would enable him to continue to acquire points for retirement.

#### STATUS OF OBLIGATIONS

Mr. SIKES. What is the status of your obligations? Do you have an unobligated—what is your unobligated balance? What do you anticipate the situation would be on June 30, 1964?

General CARTER. Our status of obligations as of 31 December 1963 for the Reserve Personnel is \$27,617,000 out of a total program of \$50.2 million, which anticipates a payraise supplemental of \$2.6 million. The ROTC obligations are \$3,804,000 against a program of \$7.478 million, so the obligations are making good progress, sir, against the total program.

We do not now anticipate any unobligated balance as of the end of the fiscal year, sir.

#### STATUS OF EQUIPMENT

Mr. SIKES. What is the status of the equipment, including flying equipment that is provided for the reserves, is it firstline equipment?

General MOORE. Well, yes. For the missions assigned, firstline equipment. We are going to be with the C-119 for a long time. It is one of the best they have, and they use it for nearly all their paratroop jobs.

Mr. SIKES. There is no problem of modernization, concerned in the light of the assignment?

General MOORE. The C-119 aircraft are doing a satisfactory job now, they are rapidly becoming obsolete. To meet Air Force wartime requirements we should replace them with more modern aircraft as soon as practicable. Insofar as some of the guard units are concerned, we will be getting up to 105's pretty soon. and we are getting HC-54's into the rescue operation. Later on we will get into the KC-97's, but beyond that, we don't know how long these old birds can fly, but they are adequate for our requirement.

#### 24 DRILL PERIODS VERSUS 48 DRILL PERIODS

Mr. SIKES. For a number of years we have had an annual problem on the 24 drill versus the 48 drill situation in certain categories of Air Force Reserve activities. Is that still with us in this budget?

General MOORE. We have the same problem, sir. It centers around the recovery units about which you were just speaking. We would prefer 48 drill periods. Due to the restriction of 61,000 placed upon us, in order to handle the total program as we see the requirement, we are just going to have to get along with 24 drill periods in this area until we can inch up. It is minimally adequate.

Mr. SIKES. Is it the recommendation of the Department of the Air Force that you have 48 drills, rather than 24, in this program?

General MOORE. We recommend that, sir.

Mr. SIKES. Did the Department of the Air Force recommend it to DOD?

General MOORE. Yes, sir, and DOD, in holding the line on the dollar ceiling, imposed the 61,000 and we had to figure it out that way.

Mr. SIKES. What would be the additional cost involved?

General MOORE. \$3.4 million.

Mr. SIKES. That is the total cost involved?

General MOORE. For the 48 period versus the 24 for the recovery units.

#### BERLIN AND CUBA MOBILIZATION

Mr. SIKES. What was the number of air force reservists called to active duty for the Berlin crisis? If you don't have it, you can supply it for the record.

Colonel TWOMEY. Roughly 27,000, reserve forces people of which 4,000 were officers, I believe.

Mr. SIKES. I would like the same information for the Cuban crisis and I would like to know what percentage of the total number actually mobilized, or rather called in—utilized in these two exercises were reserve personnel. Supply that for the record.

General MOORE. Yes, sir.

Mr. SIKES. I do this for the purpose of paying tribute to the very fine work done by Air Force reserve personnel. I think it was a glowing picture which reflected a great deal of credit on the Air Force, particularly on the Reserve personnel and on the training programs which they had undertaken; a very fine job, indeed.

(The information requested follows:)

#### NUMBER OF AIR FORCE RESERVISTS CALLED TO ACTIVE DUTY FOR BERLIN AND CUBA CRISES

There were 27,883 Air Force reservists called to active duty in October 1961 for the Berlin crisis. Twenty-one percent or 5,778 belonged to the Air Force Reserve, and the balance, 22,105, were Air National Guard personnel.

In November 1962, 14,056 personnel were called to active duty for the Cuba crisis, and all of these belonged to the Air Force Reserve.

Mr. SIKES. Are there any other questions?

Thank you very much, gentlemen. It has been a pleasure to have you before us.

General MOORE. Thank you, Mr. Chairman.

THURSDAY, JANUARY 23, 1964.

## NATIONAL GUARD PERSONNEL, AIR FORCE

## WITNESSES

MAJ. GEN. WINSTON P. WILSON, CHIEF, NATIONAL GUARD BUREAU  
 JOHN A. LANG, DEPUTY FOR RESERVE AND ROTC AFFAIRS, OFFICE  
 OF THE SPECIAL ASSISTANT TO THE SECRETARY OF THE AIR  
 FORCE

## GENERAL STATEMENT

*Object classification*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Direct obligations:			
11 Personnel compensation: Military.....	39,660	48,815	51,950
12 Personnel benefits.....	3,298	4,590	5,560
21 Travel and transportation of persons.....	1,142	2,490	2,290
22 Transportation of things.....	16	30	30
26 Supplies and materials.....	5,141	5,530	9,420
42 Insurance claims and indemnities.....	43	45	50
Total direct obligations.....	49,300	61,500	69,300
Reimbursable obligations:			
11 Personnel compensation: Military.....	12	15	15
12 Personnel benefits.....	4	5	5
26 Supplies and materials.....	92	125	125
Total reimbursable obligations.....	108	145	145
Total obligations.....	49,408	61,645	69,445

*Program and financing*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Program by activities:			
Direct program: Reserve component personnel.....	49,300	61,500	69,300
Reimbursable program: Reserve component personnel.....	108	145	145
Total obligations.....	49,407	61,645	69,445
Financing:			
Advances and reimbursements from—			
Other accounts.....	-8	-10	-10
Non-Federal sources <sup>1</sup> .....	-100	-135	-135
New obligational authority.....	49,300	61,500	69,300
New obligational authority:			
Appropriation.....	53,000	58,300	69,300
Transferred to "Emergency fund, Defense" (76 Stat. 334).....	-3,700		
Appropriation (adjusted).....	49,300	58,300	69,300
Proposed supplemental due to Uniformed Services Pay Act of 1963.....		3,200	

<sup>1</sup> Reimbursements from non-Federal sources are derived from sale of meals to officers from enlisted messes (10 U.S.C. 9621).

Mr. SIKES. General Wilson, will you proceed with your justification for National Guard personnel, Air Force?

General WILSON. Mr. Chairman and members of the committee, it is my distinct privilege to appear again before this committee to present the Air National Guard requirements for the coming fiscal year

and to report to you the progress and accomplishments made by the Air National Guard during the past year.

During my last two presentations to you, I had much to say regarding the Air National Guard participation in the Berlin contingency and during the Cuban crisis. Fortunately, during this past year, we have not had the requirement to mobilize our units or place them in an accelerated training status. I want to make it crystal clear, however, that there has been no lessening of our training efforts. Along with these efforts we have scored some new and significant achievements:

1. The ANG team won top honors in the annual worldwide fighter weapons meet.
2. Tactical and tanker units combined their talents and resources to establish new goals in long range deployments.
3. ADC units continued to provide vital strip alert coverage.
4. Heavy transport units were deployed on a worldwide basis.
5. New strength levels were established as a payoff to the most successful recruiting effort in our history.
6. Our overall state of readiness and operational capability have continued at a high state of readiness.

More on these accomplishments later.

First, let me expound for a few minutes on the effect of these changing times. The question most frequently posed to me is "How can you achieve these almost unbelievable results with people in a reserve status?" I think this is a very logical question to which a logical answer can be given. Further, this subject warrants discussion with this committee. A look at our program in retrospect clearly highlights the truly revolutionary changes which have taken place in the ANG force structure, its utilization and training. Largely, within the past 3 years, our units have been transformed from primarily a training status to that of a ready and global force fulfilling operational missions on an almost daily basis. As units we have graduated from a purely training status and have assumed our positions on the regular team as a part of the force in being. Awareness of the fact that the Reserve Forces have in the past and undoubtedly will in the future be utilized as an instrument of foreign policy has been a primary factor in the complete reorientation of our force composition as well as the total and nature of our training curriculum. The events of Berlin and Cuba made it mandatory that we adjust our thinking to conform to the requirements of defense in the cold war struggle as well as for possible large scale conflict. We have come to realize that we must be prepared to play a role in this era which is different from any that has been required of us in the past—to include partial and periodic mobilization. The hardships and impacts created by this philosophy have been recognized and considered from a unit as well as from an individual point of view. Nonetheless, it has also been recognized that we would fail in our mission were we not adequately trained and oriented toward the wider and varied possibilities that may be thrust upon us. It is this phenomenon which our Air Guard men have faced squarely head on. Demands on their time to attain and maintain the standard of proficiency necessary to meet the challenges of tomorrow have reached a level unprecedented in the history of any reserve component. The answer, therefore, gentlemen, to the ever increasing capability of the Air National Guard is primarily in the acceptance and understanding by our membership at large of the realities which I have just covered.

Now let's discuss some of these accomplishments in more detail.

## WILLIAM TELL MEET

Toward the end of World War II, there was published a book with the provocative and meaningful title, *The Battle is the Pay-Off*. Since our primary purpose in life is to prepare for this possible eventuality, we must find ways of testing our true fighting capability. One peacetime measure to give an accurate indication of our fighting capabilities is provided through the medium of competitive meets. During October of last year, the USAF conducted its annual USAF worldwide fighter-weapons meet, known as William Tell, at Tyndall Air Force Base, Fla. This meet brought together the finest Air Defense jet fighter teams that could be assembled by the participating units. This competitive spirit is the hallmark of all outstanding fighter pilots. We in the ANG proudly acclaim this recognition. The 146th Fighter-Interceptor Group from Pittsburgh, Pa., supported by members of the A.C. & W. units from Colorado, Utah, and Puerto Rico represented the ANG in this meet. This team won top honors in the F-102 category with a score of 8,427 out of a possible 9,000. This is truly a significant performance for members of a reserve component, particularly when you consider that the aircrew team was comprised of an air technician, a lawyer, a sales engineer, and two college students in civilian life who chose the Air National Guard on a part time basis as a way of serving their country. If the will to win displayed at Tyndall is an accurate indication of the ability and determination of the many persons who make up the Air Force fighter teams—and there is every reason to believe it is—the Air Force, both active and reserve, can be proud and our nation can feel more secure.

## OUTSTANDING UNIT AWARD TO 112TH AIR DEFENSE WING

Incidentally, Mr. Sikes, I would like to say that the 112th Air Defense Wing at Pittsburgh, Pa., of which this unit is part, has just been selected to receive the Air Force Outstanding Unit Award. To my knowledge, this is the first time in the history of our organization that this high honor has ever been awarded to an Air National Guard unit not on active duty.

Mr. SIKES. This is very commendable. I am proud for them and I am proud for the Air National Guard. As a matter of fact, I saw this team in action at Tyndall last fall when the Weapons Meet was taking place.

I have met the members. They are a great group of young men, and we are proud indeed of them.

General WILSON. I am sure if Mr. Flood were here, this afternoon he would be proud of them, also.

## MATS OPERATIONS

Our heavy and aeromedical transport units comprised of 18 C97 and 7 C121 squadrons continued to conduct training missions over established MATS routes in the Atlantic and Pacific areas. To give you an idea of the magnitude of their operation, it is significant to note that during the period January through November 1963 these aircraft and crews conducted 678 training missions outside the Continental United States and in the course of these missions carried

approximately 6,000 tons of cargo. On a much smaller scale these units transported personnel and equipment to support operations within the ZI. I am sure it will also be of interest to you that on numerous occasions these transports have airlifted various items of a charitable nature such as medical supplies and equipment, clothing, etc., to underprivileged nations at the request of various governmental agencies. This productive and dual benefit derived as a byproduct of the training dollar is only one area in which our relentless efforts to achieve the maximum return on every dollar spent really pays off. It is in this field where a sizable increased potential exists to provide even greater support to the active establishment at a considerable saving in the defense dollar. Our units are ready and eager to assist in this endeavor.

#### TACTICAL UNIT DEPLOYMENTS

The ability to deploy tactical units to remote locations, on a short-notice basis, has become a critical and vital consideration in the shaping of today's defense needs, both in terms of training and equipment as well as organizational structure. You are all familiar with Operation Big Lift and the more recent deployment of a regular Air Force tactical fighter squadron of F104s from George Air Force Base, California, to Moron Air Base, Spain, the first non-stop tactical fighter movement from the West Coast to Europe. While we were not a part of these operations, we nonetheless realize the need for a similar capability which has been fully tested. Past concepts and Guard operational environments virtually precluded this type of training. A new frontier approach had to be adopted to keep pace with these changing times and to find a solution to this critical problem. Such a change obviously necessitated a departure from the traditional "stay at home" training exercises. Several of our aggressive and creative thinking commanders have realigned management of unit training assemblies and field training mandays in such a manner that long range deployment exercises are feasible within the time Air Guardsmen can devote to such training as well as the accomplishment within available dollar resources. As an example, the 140th Fighter Wing of Denver recently deployed a provisional task force of 12 F100Cs from Denver and 8 RF84s from Meridian, Miss., with support personnel and tankers to Puerto Rico. This deployment was significant for several reasons: first, it proved that such deployments are feasible; second, tactical aircrews flew non-stop supported by ANG in-flight refuelers, a distance of 2,485 nautical miles—a distance equal to any deployment from the East Coast to Europe; and third, it served to test the endurance of aircrews plus the team effort which prevails between components and mission capabilities of personnel from the various states combined into a single task force to achieve a common objective.

While at their destination, they teamed up with Puerto Rico's F86H squadron in tactical exercises. This new concept was made possible by permitting the commander sufficient flexibility to re-schedule UTAs in such a manner as to permit maximum returns. This deployment was therefore accomplished by scheduling UTAs for 2 months on a consecutive basis (back to back, if you wish). Therefore, no additional funds were required for this operation. In my

opinion, this is truly the type of response and improved management we should and can expect in order to derive that extra dividend needed from each defense dollar invested. Other exercises of this type which are now history include the deployment of 12 RF-84s non-stop from Birmingham, Ala., to Elmendorf Air Force Base, Alaska, a distance of 3,400 miles. While in Alaska, this unit flew a total of 54 sorties producing 3,200 photo frames of 251 subjects which have long been a requirement of the Alaskan Command. In another exercise, the District of Columbia Air National Guard teamed up with elements of the Missouri Air National Guard supported by ANG tanker elements from Illinois, Ohio, and Wisconsin plus air transport support from Oklahoma and New Hampshire in a long range deployment. The success and feasibility of these exercises will serve as a basis for expanding our endeavor to increase the combat capability of all National Guard tactical units, both Army and Air. A more rapid response capability to a threat anywhere in the world will be the payoff. We contemplate actual deployment exercises during annual field training periods to oversea destinations. Plans developed to date are encouraging.

#### GROUND COMMUNICATIONS AND ELECTRONICS

I would be remiss to neglect the activities of our sometimes less recognized ground units, those normally referred to as communications and electronics units. During the past several years our C&E units have provided live benefits to the ANG, the active Air Force, and other DOD agencies as an adjunct to their training program. A total of 287,000 training manhours have been expended by our Ground Electronics Engineering and Installation Agency (GEEIA) and Communications Maintenance units during this period in support of Air Force Logistics Command (AFLC) communications projects. These organizations have installed complex antenna assemblies, cable plants, nav aids, and control tower facilities at Cape Kennedy and many other Air National Guard and Air Force facilities. Our Communications Maintenance units have trained their personnel in depot maintenance work by repairing Air Force equipment for return to service with ANG and Air Force units. One of our four communications groups has manned a passive satellite tracking station for the Air Defense Command on an "as required" basis for the past 2 years. Information has been furnished by this unit for deep space probes not available anywhere else within the Space Detection and Training System (SPADATS). Some satellites thought to be dead have been detected and further tracked and cataloged by this facility. Our C&E units have participated in exercise Swiftstrike alongside units of the active establishment. Two of our fixed AC&W squadrons in Hawaii, one in Puerto Rico, and two in the Continental United States have continued to provide around-the-clock air defense facilities to the Pacific Air Forces, the Antilles, Defense Force and the Air Defense Command.

The participation of our units in missions as I have mentioned not only enhances our capabilities in meeting mobilization requirements, but provides invaluable training, assists the active forces in carrying out their missions, and contributes to the stature of this country in the international picture.

We will continue to pursue realistic training programs during fiscal year 1965; our flying units will continue to maintain a high level of capability; we are working with the Air Communications Service (AFCS) in firming up plans wherein our mobile communications groups will be assigned an added mobilization mission of operating a minimum essential "build back" system for the Air Force. The Air Defense Command has requested expanded operation of the satellite tracking facility mentioned earlier to a full time operation. This we are exploring with the Office of the Secretary of Defense.

When I appeared before this committee last year, I mentioned our problem of rebuilding and maintaining the Air National Guard strength posture at a suitable level in the face of a high loss rate we were experiencing as an outgrowth of the Berlin and Cuban mobilizations coming in close succession. I briefly mentioned in the start a recruiting program designed to introduce prior service reservists and former members of the Regular Air Force to the Air National Guard on a 1-year trial basis. I am pleased to announce that this recruiting program, given the code name of "Try One," was an outstanding success beyond all expectations. At the end of January 1963, we were at the discouragingly low strength level of 66,976 as compared to an authorized 72,000 end year level. We started our recruiting drive in mid-February and the tide turned from loss to gain immediately. Air Guard commanders at all levels and in every State rallied their forces to meet the challenge. State money—not Federal—was poured into advertising and other recruiting media.

Potential enlistees were visited and revisited by members of the units at the local level. Radio and television time was donated by local stations almost to the point of advertising saturation. By the end of June, our target date, the strength of the Air National Guard exceeded our programmed level by 2,325, a net gain of 7,259 personnel in the relatively short period of 4½ months. We had 74,325 volunteers on our rolls and they were still coming. To accommodate the welcome overstrength, the Office of the Secretary of Defense increased our drill paid strength from 72,000 to its present level of 75,000 which we propose to continue through fiscal year 1965. This increase in drill paid strength is allowing us to proceed to a small degree toward a desired manning level of 90 percent of our authorized mobilization strength.

Our non-prior service basic and technical training program has been reduced in scope from the normal 8,500 input to 7,800 in fiscal year 1964 and 7,300 in fiscal year 1965. This reduction has been made in view of the favorable on-board strength picture of the Air Guard. We are continuing our policy of providing both basic military and basic technical training to 75 percent of the non-prior service accessions. The remaining 25 percent will obtain 8 weeks of basic military training at Lackland AFB, Tex., and the remainder of a minimum of 4 months of active duty training will be accomplished through on-the-job training at either an active Air Force Base or one of our Air National Guard bases. Although we have reduced our non-prior service input during fiscal years 1964 and 1965, we expect that we will have to return to the normal 8,500 in later years. Experience has proven that this level of input is necessary if we are to maintain our enlisted strength level of 65,200 airmen.

In passing, I would like to mention that the Air National Guard has furnished the first pilot who has entered directly into the astronaut program from the reserve forces. This pilot is Capt. Russell L. Schweickart of the 102d Tactical Fighter Group at Westfield, Mass. There have been other former ANG pilots in the program; however, Captain Schweickart is the first to enter directly from the inactive duty training program.

With this general summary of ANG activities, I would now like to take up our appropriation request for fiscal year 1965.

#### NATIONAL GUARD PERSONNEL, AIR FORCE

The programmed Air National Guard strength for fiscal year 1965 is continued at the newly approved drill paid level of 75,000. This being our programmed beginning and ending on-board strength will result in an average strength of 75,000 officers and airmen as compared to our average strength of 74,630 in fiscal year 1964. We are requesting \$69,300,000 in the National Guard Personnel, Air Force Appropriation. This will provide for pay and allowances of airmen and officers on active duty training, unit training assemblies, clothing, subsistence, travel, and other personnel expenses.

This amount exceeds the appropriation, including a programmed supplemental request, for fiscal year 1964 by \$7.8 million. About one-third of this increase is associated with the full year cost of the military pay raises which became effective on October 1, 1963. Approximately \$3.7 million of the increase is related to clothing costs which is due primarily to an increase in average strength in fiscal year 1965 over fiscal year 1964 and providing for the full Air Force issue to ANG personnel.

**Unit Training Assemblies:** The increased average strength, the application of increased pay rates, and a slight increase in subsistence rates results in an increase of \$2.1 million in this area.

**Annual Field Training:** The annual field training program reflects an increase of \$0.8 million which is associated directly with the increased average strength over fiscal year 1964 in a phased field training schedule. Field training transportation costs have been reduced during the last 2 years through the use of our own air transport units in airlifting personnel to and from the field training sites.

**Supplemental Training Duty:** This duty will be continued at approximately the same level as in fiscal year 1964; however, there is a reduction in costs of approximately \$0.3 million. This reduction is due to a policy change in that all missions of an operational nature will be supported by the military personnel appropriation of the active Air Force.

**Flying Training:** Our flying training program consists of three parts—Basic Pilot In-Grade, Advanced Pilot, and Basic Navigator In-Grade training. The flying training program will receive the lion's share of our formal school training dollars in fiscal year 1965. The recruitment and training of pilots and navigators remains to be one of our most critical problems in that the ready resource of World War II trained personnel has for all intents and purposes become depleted. There is an increase of approximately \$0.6 million in this program as compared to fiscal year 1964.

Service and Technical Schools: Our service and technical school program shows a reduction of approximately \$0.1 million. I mentioned last year that we were practicing a highly selective system of designating trainees and courses. It is imperative that we follow such a system to insure that our formal school training dollar is spent where it will do the most good. The program for fiscal year 1965 will provide formal school training for 343 officers and 734 airmen personnel in the technical training schools of the regular military service.

Non-Prior Service Basic and Technical Training Program: I have already covered the non-prior service and technical training program for fiscal years 1964 and 1965 and have mentioned the fact that we will have to return to a higher level of input in later years. I mention this subject again only to point out that the 7,300 input for fiscal year 1965 is a reduction from the 7,800 input we had in fiscal year 1964.

In summary, I have covered the highlights of our program accomplishments during the past year and what we expect to do during fiscal year 1965. Your confidence and support of our programs in past years has allowed us to progress to the highest state of readiness in our long history. I trust that our accomplishments will warrant the continued confidence and support of this committee. I must again assure you that the Air National Guard will do all within its power to justify your continued support.

This concludes my presentation in support of the National Guard personnel, Air Force appropriation request. I am ready to answer any questions you may have.

Mr. SIKES. General Wilson, you have given us a very fine statement. This great organization has an able advocate.

#### STATEMENT OF DEPUTY FOR RESERVE AND ROTC AFFAIRS

We are pleased to have here the Honorable John A. Lang, Deputy for Reserve and ROTC Affairs.

Would you care to make a comment at this point?

Mr. LANG. Mr. Chairman and members of the committee, I think General Wilson has well and adequately covered the subject of the requests that the Department of Defense and the Bureau of the Budget have submitted for our Air National Guard operation for fiscal year 1965. I just want to say a few things that have come to mind, here, that may be of value to your committee in your very serious deliberations on this important subject.

First of all, we certainly share in your feeling about General Wilson and his fine leadership. I suppose it is rather unnecessary to point out at this time, but we like to in the Air Force, every time we get a chance, that General Wilson is the first air general we have ever had at the head of the National Guard Bureau, and we are mighty proud of him. He has the very able assistance of the gentleman to my right, General Brown, who is now the assistant chief for the Air National Guard in General Wilson's Bureau, so between the two of them, we certainly have fine leadership for our Air National Guard.

Mr. Zuckert, our Secretary, has been most interested during the past 2 or 3 years he has been Secretary in hardening the roles and missions of our reserve components. We are happy to report to you

today in your committee, as you seriously consider where the dollar is going and where you can make it count for the most, that the Air Guard program is in a more hardened and military-valid position than it has ever been.

General Wilson has been recounting the number of combat missions in the war plans that his guardsmen have assumed and this is evidence of the strong acceptance that the Air National Guard has with our war planners.

It is also interesting, I think, to note from the management level that although the general is asking for 75,000 drill strength ceiling here today, this only mans the Air National Guard up to about 76 or 77 percent.

It is our hope that someday we can man these Guard and Reserve units up to about 100 percent, because we well remember the sad experience we had with fillers in the Berlin callup, and it is our feeling, ultimately, that if these units are worthwhile—and we sincerely believe that they are—that sooner or later they should be fully manned and combat ready.

Also, General Wilson and General Brown's outfits are using equipment which is falling out of the system. This equipment at times gets pretty old and antiquated. Sooner or later we feel that a new look should be made at the military equipment with which the Guard and Reserve units are outfitted.

We take the tack, now, of "practical attainability." We try to plan for what we know we can get. If the Guard units are to get F-100's, or 102's, or 104's, their missions are planned in that same way.

I might point this out, Mr. Chairman. These Guard units with this old-line hardware that falls out to them, stand the same training tests, the same operational readiness inspections that the active establishment does with the new equipment, and they measure up about as well. They show up very well in their ratings which I think is a tribute to our Guard leadership.

The morale of the Guard, Mr. Chairman, is high. I think one needs only to visit some of these units to see the wonderful esprit there is among these people. It gives the average citizen great reassurance to go into one of these outfits and see this high esprit. We think that is because of the validity of their missions, the type of leadership, the type of organization, the type of program, and the type of equipment they have.

We want to thank this committee for your fine support throughout the years and say we are very happy to be back before you here again today.

Mr. SIKES. Thank you for a very fine statement.

May I ask if there is anything in the timetable in the foreseeable future for improvement in strength figures and in the equipment which you discussed?

Mr. LANG. According to the present budget, we are to ask for 75,000 strength and to take the fallouts from the present system. We have no further guidance, at this time.

Mr. SIKES. The request is for \$69,300,000 for an average strength of 75,000 officers and men.

## JUSTIFICATION OF THE ESTIMATES

Mr. Clerk, place in the record the justifications, pages 4 through 29.  
(The matter referred to follows:)

## NATIONAL GUARD PERSONNEL, AIR FORCE

## Summary of requirements

[In thousands]

Project No.	Title (1)	1963, actual (2)	1964, estimate (3)	1965, estimate (4)
521	Pay and allowances, active duty—Officers-----	\$6, 125	\$9, 833	\$10, 677
522	Pay and allowances, active duty—Enlisted personnel-----	9, 122	10, 997	12, 208
523	Pay and allowances, unit training assemblies—Officers-----	12, 111	14, 242	15, 439
524	Pay and allowances, unit training assemblies—Enlisted personnel-----	15, 363	18, 068	18, 983
525	Individual clothing-----	3, 682	2, 608	6, 331
526	Subsistence-----	1, 772	3, 339	3, 473
527	Travel, active duty—Officers-----	273	394	338
528	Travel, active duty—Enlisted personnel-----	885	2, 089	1, 908
529	Other costs-----	74	80	88
	Total program requirements-----	49, 407	61, 650	69, 445

## PROJECT 521: PAY AND ALLOWANCES, ACTIVE DUTY—OFFICERS

## Program requirements:

Fiscal year 1965-----	\$10, 677, 000
Fiscal year 1964-----	9, 833, 000
Fiscal year 1963-----	6, 125, 000

## PART I—PURPOSE AND SCOPE

This project provides for active duty pay and allowances for officers of the Air National Guard participating in field training, supplemental training including ferrying of aircraft, school tours, and officers serving under sections 265, 8033, and 8496, title 10, United States Code and section 505, title 32, United States Code.

## PART II—JUSTIFICATION OF FUNDS REQUESTED

Pay factors utilized in this estimate are based on the longevity report as of June 30, 1963, which covers all officers of the Air National Guard, basic pay, subsistence, quarters, and incentive pay rates contained in the latest approved pay scales. In accordance with Public Law 87-64, June 30, 1961, the Air National Guard contribution to social security for survivors' benefits is provided at the rate of 3% percent.

The following is a comparison by fiscal years of attendance of officers and dollar requirements for field training and supplemental training, but excludes requirements for school tours, officers called to active duty with the Air National Guard as required, and Federal insurance contributions.

	1963 actual	1964 estimate	1965 estimate
Field training:			
Man-days-----	101, 869	143, 990	146, 381
Dollars-----	\$2, 851, 283	\$4, 009, 328	\$4, 267, 146
Supplemental training:			
Man-days-----	25, 984	35, 210	38, 116
Dollars-----	\$803, 155	\$1, 149, 833	\$1, 289, 437

Field training: Funds are required to provide for pay and allowances of Air National Guard officers attending field training. During fiscal year 1965, an estimated 9,699 officers will participate in 15 days field training. This estimate is based on the programed strength of each individual unit scheduled to attend field training. The pay factors used in computing the requirements include base pay, subsistence and quarters allowances, and incentive pay when authorized.----- \$4, 242, 999

Advance and rear detachment: An estimated 2.31 percent of the officers attending field training will be assigned for an average of 4 additional days for duty as advance and rear detachments for their units----- 24, 147

Total field training----- 4, 267, 146

Supplemental training: This estimate provides for pay and allowances for supplemental training such as pilot accelerated transition, ferrying of aircraft, C/KC-97 and C-121 simulator training, etc. for a total of 38,116 officer man-days. This training ranges in length from 2.3 to 40 days, and is required for the purpose of increasing the combat potential and proficiency of the various units of the Air National Guard. This training will further permit the transmission and exchange of information concerning current policy and procedures, operational plans, technical matters, and training techniques----- 1, 289, 437

School tours: This estimate provides for pay and allowances for selected Air National Guard officers to attend schools of the regular military service. Because of the technical skills required in the Air National Guard, formal school training of selected officers is necessary for the successful accomplishment of the Air National Guard mission. This estimate is based on 1,163 officers attending school for a total of 156,969 man-days. The length of the courses includes the actual period of instruction plus 4 days travel time and leave accrued at a rate of 2½ days per month while undergoing training in excess of 30 days.

	Total personnel to attend category in fiscal year (number)	Average length of course comprising category (days)	Total man-days in category	Average daily rate	Total cost
Original appointment as an officer ..	80	18.3	1,470	\$16.04	\$23,418
Original specialist qualification as an officer:					
(a) Branch qualification-----	55	71.0	3,905	29.98	117,071
(b) Pilot or navigation qualification-----	820	159.93	131,142	22.00	2,885,018
Career development-----	35	295.0	10,325	36.26	374,384
Training required by reequipment of units or mission changes-----	173	58.60	10,137	25.62	295,709
Total-----	1,163		156,969		3,659,600

<sup>1</sup> This represents average number of days for courses in ANG status only. Students attend officer military training course (000103) as members of the U.S. Air Force except for 2 days of travel, which is performed in ANG status.

Total school tours----- \$3, 659, 600

Active duty: Funds are required to provide pay and allowances for ANG officers called to active duty as authorized by secs. 265, 8033, and 8496, title 10, United States Code and as authorized by sec. 505, title 32, United States Code. Funds are also required for pay and allowances of Air National Guard officers attending policy committee meetings within the respective gaining commands... 1, 232, 212

Federal Insurance Contribution Act: Air National Guard's social security contribution for officers' survivor benefits in accordance with Public Law 85-840, 85th Cong----- 229, 085

Total project 521----- 10, 677, 480

Rounded to----- 10, 677, 000

## PROJECT 522: PAY AND ALLOWANCES, ACTIVE DUTY ENLISTED PERSONNEL

## Program requirements:

Fiscal year 1965.....	\$12,208,000
Fiscal year 1964.....	10,997,000
Fiscal year 1963.....	9,122,000

## PART I. PURPOSE AND SCOPE

This project provides for active duty pay and allowances for airmen of the Air National Guard participating in field training and supplemental training as authorized by sections 502 and 503, title 32, United States Code. This project also provides pay and allowances for selected airmen of the Air National Guard for attendance at schools of the Regular military service.

## PART II. JUSTIFICATION OF FUNDS REQUESTED

Pay factors utilized in this estimate are based on the longevity report as of June 30, 1963, which covers all airmen of the Air National Guard, basic pay rates and other allowances contained in the latest approved pay scales. In accordance with Public Law 87-64, June 30, 1961, the Air National Guard contribution to social security for survivors' benefits is provided at the rate of 3% percent.

The following is a comparison by fiscal years of attendance of airmen and dollar requirements at field training and supplemental training, but excludes requirements for school tours, section 8033 committee meetings, and Federal insurance contributions:

	Fiscal year 1963, actual	Fiscal year 1964, estimate	Fiscal year 1965, estimate
Field training:			
Man-days.....	840,558	946,151	974,595
Dollars.....	5,586,336	7,412,509	7,945,757
Supplemental training:			
Man-days.....	58,268	33,940	43,410
Dollars.....	329,800	490,343	648,319

Field training: All federally recognized Air National Guard units are required to participate in 15 days of field training annually, with the exception of those units which are not self-sustaining, or a part of an organization to which they can be attached for administration, supply, and messing. During fiscal year 1965 an estimated 64,445 airmen will attend field training. This estimate is based on the programed strength of each individual unit scheduled to attend field training during the fiscal year.....

\$7,872,343

Advance and rear detachments: An estimated 3.07 percent of the airmen attending field training will be assigned for an average of 4 additional days for duty as the advance and rear detachments for their units.....

73,414

Total, field training.....

7,945,757

Supplemental training: This estimate provides for pay and allowances for supplemental training such as C/KC-97 and C-121 simulator training, weapon systems employment and ferrying of aircraft, etc., for a total of 43,410 airman man-days. This training ranges in length from 5 to 30 days, and is required for the purpose of increasing the combat potential and proficiency of the various units of the Air National Guard. This training will further permit the transmission and exchange of information concerning current policy and procedures, operational plans, technical matters, and training techniques.....

648,319

School tours: This estimate provides for pay and allowances for selected Air National Guard airmen to attend schools of the regular military service. Because of the technical skills required in the Air National Guard, formal school training of selected airmen is necessary for the successful accomplishment of the Air National Guard mission. This estimate is based on the requirement for 8,034 airmen to attend service schools for training to upgrade the skill level of personnel in those hard core areas where OJT cannot impart the skill. The estimate for basic military training and basic technical training is based on sending 7,300 non-prior-service enlistees to basic military training in accordance with DOD directive and sending 5,100 on to basic technical training to bring them to the three-skill level in those skill areas where OJT will not permit an earlier qualification. The length of the courses includes the actual period of instruction plus 4 days' travel time, 2 days for processing at the school, and leave accrued at the rate of 2½ days per month while undergoing training in excess of 30 days.

	Total personnel to attend category in fiscal year (number)	Average length of course comprising category (days)	Total man-days in category	Average daily rate	Total cost
Enlisted qualification for unit MOS, AFS, or rate assignment:					
Critical skills:					
(1) Department of Defense	132	135.0	17,897	\$11.00	\$196,814
(2) Air National Guard	23	24.43	562	12.17	7,402
Recruit training:					
(1) 8-week basic military training with OJT to complete 4 months	2,200		281,590	2.60	732,134
(2) 5-week basic military training and technical training	5,100		624,208	2.73	1,704,088
Training required by reequipment of units or mission changes	579	102.10	59,116	10.59	625,829
Total	8,034		983,373		3,266,267

Total, school tours	\$3,266,267
Sec. 8033 committee meetings: These funds are required for Air National Guard enlisted personnel attending policy committee meetings within the respective gaining major air commands and convene twice yearly	558
Federal Insurance Contribution Act: Air National Guard social security contribution for airmen's survivor benefits in accordance with Public Law 85-840, 85th Cong	347,383
Total, project 522	12,208,284
Rounded to	12,208,000

#### PROJECT 523: PAY AND ALLOWANCES, UNIT TRAINING ASSEMBLIES, OFFICERS

Program requirements:	
Fiscal year 1965	\$15,439,000
Fiscal year 1964	14,242,000
Fiscal year 1963	12,111,000

#### PART I—PURPOSE AND SCOPE

This project provides for pay and allowances of Air National Guard officers attending unit training assemblies, including administrative function pay.

#### PART II—JUSTIFICATION OF FUNDS REQUESTED

This estimate is based on the latest available and programmed strength of officers for fiscal year 1965 with a beginning, ending, and average strength of 9,800. The total man-drill periods of 633,782 were developed based on 48 training periods per

officer computed on actual attendance during fiscal year 1963. Factors for basic and incentive pay were developed utilizing the latest approved pay scale effective October 1, 1963, and the latest longevity run. This estimate also provides for units that are allowed administrative function pay.

The following, based on Air National Guard experience, is a comparison by fiscal years of unit training assemblies for officers:

	Fiscal year 1963, actual	Fiscal year 1964, estimate	Fiscal year 1965, estimate
Man-drills.....	563,522	615,844	633,782
Dollars.....	\$12,111,115	\$14,242,000	\$15,439,000

Fiscal year 1965 requirements are as follows:

Basic pay: 633,782 unit training assemblies × \$19.81.....	\$12,555,221
Incentive pay: 417,116 unit training assemblies × \$6.60.....	2,752,966
Administrative function pay.....	130,800
<b>Total project 523.....</b>	<b>15,438,987</b>
Rounded to.....	15,439,000

#### PROJECT 524: PAY AND ALLOWANCES, UNIT TRAINING ASSEMBLIES, ENLISTED PERSONNEL

Program requirements:

Fiscal year 1965.....	\$18,983,000
Fiscal year 1964.....	18,068,000
Fiscal year 1963.....	15,363,000

#### PART I—PURPOSE AND SCOPE

This project provides for pay and allowances of Air National Guard enlisted personnel attending unit training assemblies.

#### PART II—JUSTIFICATION OF FUNDS REQUESTED

This estimate is based on the latest available and programmed drill pay strength of airmen for fiscal year 1965 with a beginning strength of 62,077, ending strength of 62,489, and an average strength of 62,815. The total man drill periods of 2,934,719 were developed based on 48 training periods per airman computed on the phased airmen strength and 36 additional flight training periods for rated airmen, based on actual experience during fiscal year 1963. Factors for basic pay were developed utilizing the latest approved pay scale effective October 1, 1963, and the latest longevity run.

The following is a comparison by fiscal years of unit training assemblies for enlisted personnel:

	Fiscal year, 1963, actual	Fiscal year, 1964, estimate	Fiscal year, 1965, estimate
Man drills.....	2,650,985	2,856,112	2,934,719
Dollars.....	\$15,363,764	\$18,068,000	\$18,983,000

Fiscal year 1965 requirements are as follows:

Basic pay: 2,934,719 unit training assemblies × \$6.30.....	\$18,488,730
Incentive pay: 176,361 unit training assemblies × \$2.80.....	493,811
<b>Total, project 524.....</b>	<b>18,982,541</b>
Rounded to.....	18,983,000

#### PROJECT 525: INDIVIDUAL CLOTHING

Program requirements:

Fiscal year 1965.....	\$6,331,000
Fiscal year 1964.....	2,608,000
Fiscal year 1963.....	3,682,000

## PART I—PURPOSE AND SCOPE

This project provides for authorized initial issue and replacement of uniforms for Air National Guard enlisted personnel, and officers uniform allowances.

## PART II—JUSTIFICATION OF FUNDS REQUESTED

Officers: The estimate for officers is based on prior years' experience.	
The average cost per officer for uniform allowances is \$25.71. The average number of officers programed in fiscal year 1965 is 9,800.	
9,800 officers × \$25.71 .....	\$251, 958
Enlisted personnel: The estimate for enlisted personnel is based on non-prior-service enlistees (basic trainees) requiring complete new uniforms, prior service enlistees clothed with new and turned in uniforms, and a replacement cost for wear and tear. The estimate also provides for an increase to the airman uniform clothing allowance to align the Air National Guard to the Air Force full clothing bag. This will increase the present allowance from \$112.15 to \$184.21:	
Basic trainees: 7,300 enlisted personnel × \$184.21 .....	1, 344, 733
Prior service enlistees:	
From Air Force, Air Force Reserves, and reenlistments after 90 days: 2,826 enlisted personnel × \$92.11 .....	260, 303
From Army, Navy, and Marines: 2,248 enlisted personnel × \$184.21 .....	414, 104
Air Force full clothing bag: 52,826 enlisted personnel × \$56.86 .....	3, 003, 686
Replacement cost for wear and tear: 52,826 enlisted personnel × \$20 .....	1, 056, 520
Total, enlisted personnel .....	6, 079, 346
Total .....	6, 331, 304
Rounded to .....	6, 331, 000

## PROJECT 526: SUBSISTENCE

Program requirements:	
Fiscal year 1965 .....	\$3, 473, 000
Fiscal year 1964 .....	3, 339, 000
Fiscal year 1963 .....	1, 772, 000

## PART I—PURPOSE AND SCOPE

This project provides for the procurement of subsistence supplies for enlisted personnel attending field training, supplemental training, schools of the regular military service, and all-day unit training assemblies. It also provides for the procurement of subsistence for officers and certain enlisted personnel attending field training, in anticipation of reimbursement to the ANG appropriation.

## PART II—JUSTIFICATION OF FUNDS REQUESTED

*Field training*

*Main body field training period.*—This estimate is based on the attendance of 9,699 officers and 64,445 enlisted personnel at field training. During field training Air National Guard units are authorized a 10-percent increase over the Air Force field ration value. Subsistence requirements during field training are as follows:

(a) 5,369 officers and 34,267 enlisted personnel will be training at or near home station. Of this number, 1,174 officers and 7,175 enlisted personnel will reside at home and require 15 noon meals at their unit's dining facility for which they will make reimbursement.

(b) 1,521 officers and 11,091 enlisted personnel will require 15 days' field rations (3 meals) and 3,442 officers and 24,505 enlisted personnel will require 13 days' field rations (3 meals).

(c) 175 officers and 302 airmen will require 13 noon meals.

(d) 17,981 enlisted personnel will require 15 days' contract feeding (3 meals) and 3,391 enlisted personnel will require 13 days' contract feeding (3 meals) at \$2.57 where Government mess is not available.

(e) 3,387 officers will not require Government subsistence.

1,521 officers × 15 days (field rations) × \$1.22	\$27,834
3,442 officers × 13 days (field rations) × \$1.22	54,590
1,174 officers × 15 days (noon meal) × \$.45	7,925
175 officers × 13 days (noon meal) × \$.45	1,024

Total, officers' subsistence	91,373
11,091 enlisted personnel × 15 days (field rations) × \$1.22	202,965
24,505 enlisted personnel × 13 days (field rations) × \$1.22	388,649
7,175 enlisted personnel × 15 days (noon meal) × \$.45	48,431
302 enlisted personnel × 13 days (noon meal) × \$.45	1,767
17,981 enlisted personnel × 15 days (contract feeding) × \$2.57	693,167
3,391 enlisted personnel × 13 days (contract feeding) × \$2.57	113,293

Total, enlisted personnel's subsistence 1,448,272

Total, field training subsistence 1,539,645

Supplemental Training: The following is the estimated cost of subsistence incident to certain supplemental training such as C/KC-97 and C-121 Simulator Training, Weapons Systems Employment, and USAF All-Air Force Rifle and Pistol Matches, etc., at the current Air Force field ration cost. 18,905 mandays @ \$1.04 per day 19,663

School Tours: This estimate provides subsistence for selected Air National Guard enlisted personnel to attend schools of the regular military service. This estimate is based on the total number of mandays in an active duty for training status, less the travel days, at the rate of \$1.04 per day, which is the current Air Force field ration cost.

Category	Total personnel to attend category in fiscal year (number)	Total mandays not in travel status	Subsistence, at \$1.04
Enlisted qualification for unit MOS, AFS or rate assignment:			
(a) Critical skills:			
1. Department of Defense	132	17,369	\$18,063
2. Air National Guard	23	470	488
(b) Recruit training:			
1. 8-week BMT with OJT to complete 4 months	2,200	272,004	282,884
2. 5-week BMT and technical training	5,100	598,242	622,172
Training required by reequipment of units or mission changes	579	56,797	59,069
Total	8,034	944,882	982,676

Total, school tours 982,676

All-day unit training assemblies: This estimate is based on an average drill pay strength of 62,815 enlisted personnel. The attendance factor for airmen at unit training assemblies is 95 percent. All units will conduct two all-day unit training assemblies per month, for a total of 24 all-day unit training assemblies per fiscal year. During all-day unit training assemblies a subsistence rate of \$0.65 per enlisted man per meal is authorized. Enlisted personnel will normally qualify for only one meal per day. 62,815 enlisted personnel × 95 percent × 24 = 1,432,176 all-day training assemblies 1,432,176 × \$0.65 per day

930,914  
 Total, project 526 3,472,898  
 Rounded to 3,743,000

PROJECT 527: TRAVEL, ACTIVE DUTY—OFFICERS

Program requirements:	
000 Fiscal year 1965.....	\$338, 000
000 Fiscal year 1964.....	394, 000
000 Fiscal year 1963.....	273, 000

PART I—PURPOSE AND SCOPE

This project provides for commercial transportation for officers incident to their attendance at field training, certain supplemental training, and schools of the military service; and PCS per diem for officers in travel status, when specifically authorized. This estimate also provides for travel for officers called to active duty with the Air National Guard as authorized by law.

Based on past experience, it is estimated that \$12,000 will be reimbursed to MATS industrial fund for transportation of Air National Guard officers during fiscal year 1965.

PART II—JUSTIFICATION OF FUNDS REQUESTED

Field training: Transportation to field training for 3,856 officers will be accomplished through commercial transportation, military aircraft, military motor vehicle, and private conveyance. Appropriate deductions have been made for those individuals who will travel by other than commercial means since there is no cost to the Government. Commercial transportation costs, average mileage to and from camp training, and authorized travel ration rates have been taken into consideration.....

\$60, 771

Supplemental training: The following is the estimated cost of commercial transportation and PCS travel per diem required in the performance of certain supplemental training such as C/KC-97 and C-121 simulator training, weapons systems employment, and orientation tours (C. & E.). A total of 1,890 officers will be involved, some of them traveling by military transportation and receiving PCS per diem for traveltime only. Distances will vary from 500 to 7,800 miles round trip.....

91, 809

School tours: The following is the estimated cost of travel for officers attending schools of the regular military service:

Category	Total personnel to attend category in fiscal year (Number)	Commercial transportation		Travel average number days	Per diem at \$8	Total cost
		Average number miles	At 0.05582			
Original appointment as an officer.....	80	1, 942	\$8, 660	3. 25	\$2, 080	\$10, 740
Original specialist qualification as an officer:						
a. Branch qualification.....	55	2, 390	7, 315	4	1, 760	9, 075
b. Pilot or navigation qualification.....	820	1, 605	73, 486	2. 69	17, 616	91, 102
Career development.....	35	2, 390	4, 655	4	1, 120	5, 775
Training required by reequipment of units or mission changes.....	173	2, 390	23, 039	4	5, 536	28, 575
Total.....	1, 163	-----	117, 155	-----	28, 112	145, 267

Total school tours..... 145, 267

Active duty: The following is the estimated cost of commercial transportation and PCS travel per diem incident to 90-day tours with the National Guard Bureau; section 265, 8033, and 8496 personnel; and section 8033 committee meetings. Distances will vary from 800 to 1,500 miles. Transportation and storage of household goods for sections 265, 8033, and 8496 personnel are included.....

\$40, 352

Total project 527..... 338, 199

Rounded to..... 338, 000

## PROJECT 528: TRAVEL, ACTIVE DUTY, ENLISTED PERSONNEL

## Program requirements:

Fiscal year 1965.....	\$1, 908, 000
Fiscal year 1964.....	2, 089, 000
Fiscal year 1963.....	885, 000

## PART I—PURPOSE AND SCOPE

This project provides for commercial transportation of airmen incident to their attendance at field training, certain supplemental training, and schools of the military service. This project also provides for PCS travel per diem for certain enlisted personnel when specifically authorized by the Chief, National Guard Bureau.

## PART II—JUSTIFICATION OF FUNDS REQUESTED

Field training: Transportation to field training for 27,062 airmen will be accomplished through commercial transportation, military aircraft, military motor vehicle and private conveyance. Appropriate deductions have been made for those individuals who will travel by other than commercial means since there is no cost to the Government. Commercial transportation costs, average mileage to and from camp training, and authorized travel ration rates have been taken into consideration.....

\$535, 828

Supplemental training: The following is the estimated cost of commercial transportation and PCS travel per diem required in the performance of certain supplemental training such as C/KC-97 and C-121 simulator training, weapons systems employment and all-Air Force rifle and pistol matches. A total of 2,757 airmen will be involved, some of them traveling by military transportation and receiving PCS per diem for travel time only. Distances will vary from 500 to 2,000 miles round trip.....

82, 377

School tours: The following is the estimated cost of commercial transportation and PCS travel per diem for enlisted personnel attending schools of the regular military service. Distances will vary from 748 miles one way to 3,771 miles round trip.

Category	Total personnel to attend category in fiscal year (number)	Commercial transportation		Travel average days	Per diem at \$8	Total cost
		Average number miles	At \$0.05582			
Enlisted qualification for unit MOS, AFS, or rate assignment:						
(a) Critical skills:						
(1) Department of Defense.....	132	2, 390	\$17, 556	4	\$4, 224	\$21, 780
(2) Air National Guard.....	23	2, 390	3, 059	4	736	3, 795
(b) Recruit training:						
(1) 8-week BMT with complete 4 months.....	2, 200	2, 054	252, 211	2. 18	38, 344	290, 555
(2) 5-week BMT and technical training.....	5, 100	2, 651	754, 611	3	122, 376	876, 987
Training required by reequipment of units or mission changes.....	579	2, 390	77, 007	4	18, 528	95, 535
Total.....	8, 034	1, 104, 444			184, 208	1, 288, 652

Total school tours.....	1, 288, 652
Section 8033 committee meetings: Commercial transportation for airmen attending Air National Guard policy committee meetings convening twice yearly.....	754
Total project 528.....	\$1, 907, 611
Rounded to.....	\$1, 908, 000

## PROJECT 529: OTHER COSTS

## Program requirements:

Fiscal year 1965.....	\$88,000
Fiscal year 1964.....	80,000
Fiscal year 1963.....	74,000

## PART I—PURPOSE AND SCOPE

This estimate provides for death gratuity and disability compensation of personnel killed or injured while in a training status during unit training assemblies, field training or supplemental training, as authorized by Public Law 108, 81st Congress.

## PART II—JUSTIFICATION OF FUNDS REQUESTED

Death gratuity is based on 6 months' base pay and incentive pay when authorized. Experience in fiscal year 1963 shows that deaths by aircraft accident occur at the rate of 1 per 32,000 aircraft-hours flown, at an average cost of \$3,000 per death. Based on 470,400 aircraft-hours in fiscal year 1965, it is estimated that there will be 15 deaths at an average cost of \$3,000 per death.....	\$45,000
Experience shows that deaths by all other causes occur at the rate of 1 per 18,000 man-years at an average cost of \$1,000. Based on the average personnel strength of 75,000 for fiscal year 1965, it is estimated that there will be 4 deaths at an average cost of \$1,000 per death....	4,000

Disability compensation: Provision is made for pay and allowances for personnel of the Air National Guard injured or disabled during periods of unit assembly, field training, or supplemental training. Cost has been computed on the average daily pay plus incentive pay. Average time lost is 45 days, of which 24 are computed with incentive pay for rated personnel. Experience shows that 19 officers and 32 enlisted personnel will be injured or disabled in fiscal year 1965:

Officers with dependents:	
Average daily pay plus incentive $16 \times 24 \times \$32.49$ .....	12,476
Average daily pay, $16 \times 21 \times \$25.89$ .....	8,699
Officers without dependents:	
Average daily pay plus incentive, $3 \times 24 \times \$31.24$ .....	2,249
Average daily pay, $3 \times 21 \times \$24.64$ .....	1,552
Airmen: Average daily pay, $32 \times 45 \times \$9.44$ .....	13,594
Total.....	38,570
Total, project 529.....	87,580
Rounded to.....	88,000

## ANG STRENGTH AUTHORIZATION

Mr. SIKES. General Wilson, is this an optimum strength figure?

General WILSON. Mr. Chairman, we have always been able to reach the strength that was allotted for the Air Guard. At the present time, 75,000 strength is obtainable. We have on board at the present time 74,931 people.

Mr. SIKES. When I said "optimum," is that the strength the Air National Guard would like to have, or is there a need for more?

General WILSON. We feel, based on the experience level that we had at the time of Berlin with fillers, that we should be authorized 100 percent manning, which would give us a level, sir, of about 93 percent to 95 percent on board. As you realize, you could never obtain exactly 100 percent, but we feel with that authorization level, sir, that it would meet the requirements, it would allow us to have our units ordered to duty at any time without having any filler problems.

Mr. SIKES. What would that strength level be?

General WILSON. About 87,000.

ESTIMATED COST OF DRILL PAY STRENGTH INCREASE

Mr. SIKES. At what cost?

General WILSON. I would have to furnish that for the record.

Mr. SIKES. You do that.

(The information requested follows:)

REQUIREMENTS FOR INCREASED DRILL PAY STRENGTHS

We would propose to phase to the 87,000 drill pay strength over a period of 5 years at an increase of 2,500 each year for fiscal years 1966 through 1969, and the balance of 2,000 in fiscal year 1970 to reach the 87,000. The table below shows how this phasing would be accomplished for both officers and airmen and the estimated appropriation program for this phased increase for each fiscal year:

*Ending strengths*

	Officers	Airmen	Total	Total cost
Fiscal year:				
1966.....	10,000	67,500	77,500	\$74,630,000
1967.....	10,000	70,000	80,000	77,818,000
1968.....	10,000	72,500	82,500	79,210,000
1969.....	10,000	75,000	85,000	80,602,000
1970.....	10,000	77,000	87,000	81,855,000

Mr. SIKES. Has the Air National Guard made an attempt to secure these additional people?

General WILSON. Yes, sir. A year ago we submitted a program change proposal to the Office, Secretary of Defense, requesting a phase growth up to the level we are talking about, on a 2,500-a-year increment. We were allowed to go from 72,000 to 75,000 in fiscal years 1964 and 1965. At the present time, there is no future increase authorized beyond fiscal year 1965. We do propose again to go in for an increase of an incremental building, a phased building, up to around 87,000 or 88,000.

ANG PARTICIPATION IN BERLIN AND CUBAN CRISES

Mr. SIKES. You commented on Air National Guard participation in the Berlin emergency and during the Cuban crisis and I subscribe wholeheartedly to the glowing reports which you painted of the work of the Air National Guard at that time. It was an outstanding contribution and the country is very much indebted to the guardsmen for what they did.

Now, you also called attention to the fact that there has been no similar emergency during the past year, but that guardsmen have maintained an extremely high standard of proficiency with exacting requirements, training requirements.

Do you consider there is possibility of overtraining, of going stale, in the absence of a crisis of the sort which enables a unit to work off steam?

## TRAINING WITH ACTIVE AIR FORCE

General WILSON. No, sir, I do not, for the simple reason that we are trying to get our units participating in more missions with the Active Air Force.

For example, we have been participating in the swift-strike deployment. We hope to have one squadron picked this summer which may deploy to Europe for an operation. These are all things that the units are working toward, to be selected for this.

Our C ratings are examined on the same basis, as Mr. Lang said, under the same criteria as active units, of the same type in the Active Air Force. It takes us longer, certainly, to reach those goals, but we have the same goals the active units have.

We feel if we can participate with Active Air Force units, like the William Tell Meet and the one to be held this year for TAC fighters, that this will all keep the edge going, and we don't overtrain.

## AIRCRAFT EQUIPMENT IN THE ANG

Mr. SIKES. I assume in most cases fallout equipment is in some cases equipment on the verge of obsolescence. Is this a situation we shall have to live with for the foreseeable future?

General WILSON. As you know, the Air Guard has always depended on the Active Air Force to furnish the aircraft. When our units came back from the Berlin crisis, the Air Force organized five additional wings of TAC fighter units which required some 200 of the F-84-F's that we took on duty with us. Those are being returned to us now as new planes come into the Active Air Force.

We expect, with the buy of the F-4-C and possibly the TFX, later on, that more modern airplanes will come from the active establishment to us. For example, we will have the 100-D, the F-104. We got our first squadron of 105's, or are getting our first squadron this year and we expect to modernize some of the aircraft rapidly approaching obsolescence through modifications which will increase their capability.

Mr. SIKES. From your testimony apparently the guard has taken this in its stride and recognizes the fact that there is a limit to the appropriations that are available and to the money that can be made available for the purchase of aircraft and that this is one of those situations that we have to live with, at least for now, and that it has not handicapped guard training.

General WILSON. No, sir. We feel, Mr. Sikes, that our mission is to be able to operate the airplanes that are given us at their potential. And this is what we think we can do.

Mr. SIKES. In the event of active duty, what kind of delays would you run into in the event of an emergency in converting or changing over into first-line equipment?

General WILSON. Other than normal transition here would be no problem.

Mr. SIKES. How long is that transition?

General WILSON. I would say in transitioning to new airplanes, to be completely combat ready, from 2 to 4 months, depending on the type of aircraft and the complexity of it.

## CLOTHING ALLOWANCE

Mr. SIKES. What is involved in the increase of the clothing allowance from \$121 to \$184.21?

General WILSON. For years the Air National Guard has been on a reduced clothing bag, necessary only for our training requirements. Now that we have a D-day mobilization mission—and one of the problems that we had when Berlin came was that we did not have the full bag.

Based on ADC, and MATS and so forth, they have recommended and the Department of Defense has recognized this as a requirement so we are going from the old training bag to the full Air Force bag, sir.

Mr. SIKES. What kind of checking system is associated with this change in order to insure that everyone has a full clothing bag?

General WILSON. We get reports from our units as to the status of the clothing, both winter and summer, whatever is necessary, so that we know the condition the units are in as to their clothing requirements. That is part of their inspection.

Mr. SIKES. Mr. Whitten?

## TRAINING PROGRAM

Mr. WHITTEN. General, I have listened to a lot of answers and I have been one of those fine friends that the Reserves and the National Guard have had.

I have been busy with other things and I have been obliged to follow my colleagues to a great degree, but briefly for the record and for my own information, how does your system work, day in and day out, month by month, describing the circumstances under which you are going to allow for training, the circumstances under which you may be called into active duty and so forth—briefly.

General WILSON. The Air National Guard is programed, or the normal unit has 48 unit training assemblies a year, each one of them a minimum of 4 hours duration. In addition to that they have 15 days field training which is normally carried on during the summer months.

In addition to that, all crews, the pilots and the crews necessary to make up the crews of the transports and so forth, get 36 additional drills a year. So when you add it all up, it amounts to about 99 drill periods a year that these people put in.

In addition to that there are certain exercises in which they participate, such as the gunnery meet at William Tell. There are other exercises put on by the different commands, which we participate in. So the normal training of a unit, toward meeting the training mission requirements, is conducted during the 48 drills, the 15 days field training, and for air crews the 36 additional flying training periods.

We are shooting for an immediate mobilization capability with everything available that is required to take a unit and deploy it tomorrow, if necessary, if there is a crisis.

Mr. OSTERTAG. Will the gentleman yield to me at that point?

Mr. WHITTEN. Yes.

## AVERAGE TRAINING COST PER MAN

Mr. OSTERTAG. As I understand, it this budget request is \$69,300,000 and covers pay, allowances, clothing, subsistence, gratuity, travel and other related expenses for 75,000 men?

General WILSON. That is correct.

Mr. OSTERTAG. I just worked out a little arithmetic here for myself and if I figured it correctly, that, Mr. Chairman, amounts to only \$924 on an average, per man.

General WILSON. That is correct, sir.

Mr. OSTERTAG. So you can see there isn't a lot of money per individual for all of this training and all of this field work and the unit operations that are involved in this program.

General WILSON. I would say, sir, that we get as much time for free from the guardsman as we get for pay.

Mr. WHITTEN. I think the point is made both by my colleague from New York and by you, General. That is very fine indeed. It points up the belief that many of us have had through the years, that we shouldn't change what we have, but in the case of dire necessity, where the national economy has to be considered and ability to withstand the expense of defense, it certainly makes us realize that in the final analysis we have to look there to the part-time soldier in peacetime to be full-time soldiers in wartime. I am speaking of the essentiality of your type operation. It is quite apparent. Under some circumstances it might have to be enlarged as against the regular peacetime service.

Now, this matter of enlistment or matter of being a member of the National Guard, what is the duration of the enlistment period?

## PERIODS OF ENLISTMENTS AND SERVICE

General WILSON. We get people who have completed service in the active Air Force who volunteer into the Guard program for a 3-year enlistment. Also, as I said, we are getting 7,300 next year of non-prior-service people. Under the existing law all non-prior-service personnel, regardless of age, assume a military obligation of 6 years.

Now, part of that 6 years is an initial period of active duty to qualify them for the AFSC, in which they are going to be working in the unit. This can vary from a minimum of 4 months to 13 or 14 months, depending on whether they are going on the soft skills or the sophisticated skills such as radar mechanic and those things.

Mr. WHITTEN. Thank you. That is all.

Mr. FORD. General, you mentioned nothing about your recovery group. What is the story?

General WILSON. We have none in the Air Guard. Those are in the Air Force Reserve, sir. We have one base support unit at Gulfport, Miss., which in a way has a recovery mission, but that is primarily in the Air Force Reserve, sir.

## FISCAL YEAR 1964 BUDGET REQUEST

Mr. FORD. What did you ask for in dollars last year at the time the budget was submitted?

General WILSON. In the program that went from the Air Force to the Department of Defense was \$77 million for fiscal year 1965.

Mr. FORD. Flat?

General WILSON. Yes, sir. As I remember, it was rounded off to \$77 million.

Mr. FORD. What did the budget contain when it came up here?

General WILSON. You are talking about 1964, sir?

Mr. FORD. I am talking about 1964.

General WILSON. I am sorry. That first figure I gave you was 1965, sir.

Mr. FORD. What was the 1964 figure that you asked for?

General WILSON. \$60.8 million, sir.

Mr. FORD. What was in the budget?

General WILSON. \$58.3 million, sir.

Mr. FORD. What did the Congress appropriate?

General WILSON. The Congress appropriated \$58.3 million, sir.

Mr. OSTERTAG. May I ask what your strength was?

General WILSON. That was 72,000, sir.

Mr. FORD. What do you expect to obligate in fiscal year 1964?

General WILSON. We expect to obligate about 99.6 percent.

Mr. Ford, as you know, we had in the 1964 budget program, 72,000. We exceeded our 72,000 by over 2,000 but there were no additional funds made available to pay for that increase, for which I have had to rob other programs to pay for it.

#### PROPOSED SUPPLEMENTAL

Mr. SIKES. Are you going to obligate over and above your appropriation in view of the pay increase and other items?

General WILSON. Yes, sir; there will be a requirement for 3.2 million supplemental.

Mr. SIKES. You are including that in your obligation figure, then?

General WILSON. Yes, sir.

Mr. FORD. I am a little confused, now. You got \$58.3 million which is the amount you asked for.

General WILSON. That's right.

Mr. FORD. You expect to obligate virtually all of it?

General WILSON. That's right; plus—

Mr. FORD. Does that include the supplemental?

General WILSON. No, sir. Plus \$3.2 million supplemental.

Mr. FORD. You will have \$58.3 million plus \$3.2 million, which gives you \$61.5 million.

#### FISCAL YEAR 1965 BUDGET REQUEST

Mr. FORD. Your budget request for fiscal year 1965 is what?

General WILSON. It is \$69.3 million.

Mr. FORD. The difference between 61.5 million and 69.3 million is primarily made up because of what?

General WILSON. Increased strength, increased pay raise, and the difference in the clothing bag.

Mr. FORD. It is those three items primarily?

General WILSON. Yes, sir.

Mr. OSTERTAG. How about a comparison of strength?

Mr. FORD. Your strength in fiscal year 1964 authorized was 72,000.

General WILSON. That is correct.

Mr. FORD. You were allowed to go up to 75,000?

General WILSON. That is correct, sir.

Mr. FORD. Your figure for fiscal year 1965 is 75,000?

General WILSON. That is correct.

Mr. FORD. What was this comment you made earlier to one of the members of the committee that you are thinking of or plan to propose an incremental increase in strength—

#### PROPOSED INCREASED STRENGTH

General WILSON. We had proposed a year ago, Mr. Ford, an increase on an incremental basis, 3,000 in 1964, from 72,000 to 75,000; 2,500 a year increase each year until we leveled out at about 87,000, sir.

Mr. FORD. Did you so request that at the time the budget was put together?

General WILSON. This was done by separate action, sir, in accordance with the procedure of the Department of Defense. They approved the 75,000 for fiscal year 1964. In fiscal year 1965 we continue at that level. We will again ask for an increase in future years.

Mr. FORD. You do anticipate that a formal request will be made?

General WILSON. Another request will be made for that, yes, sir.

Mr. FORD. That is all.

Mr. SIKES. Mr. Ostertag?

Mr. OSTERTAG. I have no questions.

Mr. SIKES. Thank you very much.

General, before you leave, and this possibly should go on the record, what happened to the appropriation for L-28 aircraft made by the Congress last year?

General WILSON. The Congress appropriated for 24 of these. We have delivery of all 24. They are now in each one of our units, six in each unit, four units. That is what we call our commando units, sir.

Mr. SIKES. Is it as good a buy as you said it would be?

General WILSON. Yes, sir. They are working out very well.

THURSDAY, JANUARY 23, 1964.

## RETIRED PAY, DEFENSE

## WITNESSES

LEROY J. SPENCE, MILITARY PERSONNEL OFFICER, OFFICE OF THE  
DIRECTOR OF PERSONNEL PLANNING, DEPARTMENT OF THE AIR  
FORCE

COL. WINSTON G. WHALL, USA, OFFICE OF THE ASSISTANT SECRETARY  
OF DEFENSE (MANPOWER), OFFICE OF THE SECRETARY  
OF DEFENSE

*Program and financing*

[In thousands of dollars]

	1963 actual	1964 estimate	1965 estimate
Program by activities:			
1. Nondisability.....	637,893	788,212	932,512
2. Temporary disability.....	36,674	36,941	38,143
3. Permanent disability.....	218,574	237,382	255,940
4. Fleet reserve.....	117,642	141,619	166,682
5. Survivors' benefits.....	3,992	4,846	5,723
Total obligations (object class 13).....	1,014,775	1,209,000	1,399,000
Financing: Unobligated balance lapsing.....	10,925		
New obligational authority.....	1,025,700	1,209,000	1,399,000
New obligational authority:			
Appropriation.....	1,029,000	1,143,000	1,399,000
Transfer to "Claims, Defense" (77 Stat. 23).....	-3,300		
Appropriation (adjusted).....	1,025,700	1,143,000	1,399,000
Proposed supplemental due to Uniformed Services Pay Act of 1963.....		66,000	
Program by activities:			
1. Nondisability.....		13,022	
2. Temporary disability.....		599	
3. Permanent disability.....		3,949	
4. Fleet reserve.....		2,344	
5. Survivors' benefits.....		86	
Total obligations (object class 13).....		20,000	
Financing: New obligational authority (proposed supplement- al appropriation).....		20,000	

Mr. SIKES. The Committee is ready to consider the appropriation request for Retired Pay for military personnel. The principal witness is Mr. Spence.

Do you have a prepared statement, Mr. Spence?

Mr. SPENCE. Yes, sir; I do.

## GENERAL STATEMENT

Mr. SIKES. Will you proceed?

Mr. SPENCE. Mr. Chairman and members of the committee, I appreciate the opportunity to appear before this Committee to discuss the appropriation for Retired Pay for Fiscal Year 1965.

The appropriation requested is a consolidation of the estimates of the military departments for retired pay of military personnel on the retired lists of the Army, Navy, Marine Corps and Air Force; retainer pay for members of the Fleet Reserve of the Navy and Marine Corps; and payments to survivors of retired military personnel under the Retired Serviceman's Family Protection Plan.

As could be expected, the funds required for this appropriation are higher in fiscal year 1965 than during the present year. Prior to discussing the fiscal year 1965 appropriation, I would like to describe briefly the long range outlook for this appropriation. Over the past several years there has been a gradual increase in the funds required for this appropriation. The increase in funds reflects the fact that beginning with World War II our national defense has required substantially larger numbers of military personnel than had been the case before that time. Those substantial increases in the numbers of people in the active military establishment have for the past several years been reflected in increased accessions to the retired rolls.

Based on the present outlook, the greatest total number of accessions to the retired rolls will occur in fiscal year 1968. It is expected that there will be approximately 60,000 new additions to the retired rolls in that year. Thereafter, the number of accessions should begin to decline somewhat and, assuming a continuation of the present force levels, should level off at approximately 50,000 accessions to the rolls each year. However, the total number of persons on the retired rolls will continue to increase gradually until the 1980's when mortality from the retired rolls should begin to approximate and, perhaps for a few years, exceed the accessions. Thereafter, the accessions and losses should be approximately in balance.

For fiscal year 1964 the Congress appropriated \$1.143 billion. It is estimated that a proposed supplemental of \$86 million is required, of which \$66 million is attributable to the Uniformed Services Pay Act of 1963. The total current estimated requirements for fiscal year 1964 is \$1.229 billion.

Turning now to the appropriation request for fiscal year 1965, the total amount requested is \$1.399 billion. Of this amount, \$102 million is attributable to the Uniformed Services Pay Act of 1963. This will provide for payments to an average of 466,074 personnel in fiscal year 1965, an increase of 53,628 over fiscal year 1964.

#### CATEGORIES OF PERSONNEL

The Retired Pay appropriation provides funds for disbursement to five categories of personnel.

##### NON-DISABILITY

The first category, labeled Non-Disability, is composed of those who were retired for age or length of service.

It is estimated that \$932.5 million or 66.7 percent of the total appropriation request will be required to provide for an average of 281,271 annuitants in the non-disability category in fiscal year 1965. This compares with an average of 241,687 annuitants for fiscal year 1964.

##### TEMPORARY DISABILITY

The temporary disability category is an interim classification for disabled personnel where there is some doubt as to the degree or permanence of their disability. Personnel are placed on the temporary disability list for a period of not to exceed five years in accordance with Title IV of the Career Compensation Act of 1949, which has

now been codified as Chapter 6 of Title 10, United States Code. During this five-year period physical examinations are required at least once every eighteen months to determine whether such individuals (a) have recovered from their disability and can be returned to active duty, (b) should be discharged, or (c) should be transferred to the permanent disability rolls.

It is estimated that \$38.1 million or 2.7 percent of this appropriation will be required to provide for an average of 15,201 annuitants as compared with 15,158 in fiscal year 1964.

#### PERMANENT DISABILITY

This category is composed of personnel whose disability has been definitely established as "permanent". Persons may be placed on the permanent disability rolls immediately following the termination of their active duty status or by transfer from the temporary disability rolls. It is estimated that \$255.9 million or 18.3 percent of the appropriation will be required in fiscal year 1965 for an average of 87,343 permanently disabled retired military personnel. This compares with an average of 82,988 for fiscal year 1964.

#### FLEET RESERVE

The Fleet Reserve category is composed of Navy and Marine Corps enlisted personnel having 20 but less than 30 years of service who elect to transfer from active duty to the Fleet Reserve. Upon completion of 30 years of combined active service and service in the Fleet Reserve or upon being found physically unfit for military service, such personnel are transferred to the regular retired rolls. It is projected that a total of 81,567 Fleet Reservists will be on the rolls by 30 June 1965 as compared with 72,368 as of 30 June 1964, an increase of 9,199. It is estimated that \$166.7 million or 11.9 percent of the appropriation will be required in fiscal year 1965 to provide for an average of 77,663 Fleet Reservists. This compares with an average of 68,609 for fiscal year 1964.

#### SURVIVORS' BENEFITS

The "Survivors' Benefits" category includes the amounts estimated to be required to make payments to survivors of retired personnel pursuant to the Retired Serviceman's Family Protection Plan. This Act permits members of the uniformed services to receive a reduced amount of retired pay in order to provide one or more annuities specified in the Act for his survivors. The amount of the reduction in each member's case is computed by the actuarial equivalent method, that is, the total amount of reduced retired pay received by the member and the benefit payments made to his survivors will on the average, not exceed the total amount of retired pay the member would have received had he not participated in the program.

It is estimated that \$5.7 million or 0.4 percent of the total appropriation request will be required to provide for an average of 4,596 in fiscal year 1965. This compares with an average of 4,004 in fiscal year 1964.

#### SUMMARY

The amounts included for each of the categories are mathematical computations of the rates presently prescribed by law applied to the

best available projections of the number of personnel to be carried on the rolls in fiscal year 1965.

No provision has been made in these estimates for the additional funds which may be required in fiscal year 1965 to support the higher rates of retired pay which would accrue to those retired following enactment of the pending DOD pay increase proposal.

Payments under this appropriation are required by law and any funds not required revert to the Treasury at the end of the fiscal year.

Mr. Chairman, I have copies of the charts, tables, and summaries that have been made available to your Committee in past years.

This concludes my prepared statement.

(The charts, tables, and summaries referred to follow:)

*Actual end strengths, obligations, and expenditures, July–November 1963*

[Dollars in thousands]

	End strengths	Obligations	Expenditures
July.....	386,368	\$90,082	\$58,670
August.....	392,169	91,647	121,625
September.....	396,463	92,542	92,005
October.....	398,779	98,783	99,278
November.....	405,626	101,715	100,607
Total.....		474,769	472,185

*Increases in yearend strengths, by category, for the fiscal years 1963, 1964, and 1965*

Category	Fiscal year 1963		Fiscal year 1964		Fiscal year 1965	
	Actual	Percent	Estimate	Percent	Estimate	Percent
Nondisability.....	38,996	72.6	41,295	74.2	41,908	74.8
Temporary disability (240).....			35	.1	78	.1
Permanent disability.....	4,043	7.6	4,468	8.0	4,251	7.6
Fleet reserve.....	10,229	19.0	9,276	16.7	9,199	16.4
Survivors' benefits.....	442	.8	563	1.0	619	1.1
Total.....	53,470	100.0	55,637	100.0	56,055	100.0

*Retired serviceman's family protection plan*

[Dollars in thousands]

Fiscal year	Number of annuitants electing to participate	Reduction in retired pay	Number of deceased annuitants	Payment to survivors
1954 (last 8 months) actual.....	11,243	\$1,597	149	\$67
1955 actual.....	11,401	4,308	499	462
1956 actual.....	12,580	4,692	814	797
1957 actual.....	14,859	5,424	1,128	1,136
1958 actual.....	17,890	6,251	1,469	1,479
1959 actual.....	19,846	7,204	1,881	1,851
1960 actual.....	22,967	7,786	2,312	2,422
1961 actual.....	27,997	8,933	2,807	3,003
1962 actual.....	33,659	10,806	3,271	3,495
1963 actual.....	43,254	13,141	3,713	3,992
1964 estimate.....	51,342	15,979	4,276	4,846
1965 estimate.....	59,878	18,402	4,895	5,723
Total.....		104,523		29,303

## New obligational authority, obligations, and unobligated balance, fiscal years 1950-63

[In thousands]

Fiscal years	New obligational authority	Obligations	Unobligated balance	Fiscal years	New obligational authority	Obligations	Unobligated balance
1950.....	\$306,016	\$304,376	\$1,640	1957.....	\$515,000	\$510,784	\$4,216
1951.....	342,000	324,089	17,911	1958.....	567,000	560,962	6,038
1952.....	345,000	330,598	14,402	1959.....	640,000	634,542	5,458
1953.....	357,000	356,385	615	1960.....	715,000	692,922	22,078
1954.....	387,000	386,298	702	1961.....	789,500	787,806	1,694
1955.....	423,500	422,102	1,398	1962.....	920,000	895,854	24,146
1956.....	495,000	478,932	16,068	1963.....	1,029,000	1,014,775	10,225

<sup>1</sup> \$3,300,000 transferred to "Claims, Defense."

## Gains, losses, begin and end strengths, July 1963–November 1963

## SUMMARY

	Begin strength	Gains	Losses	End strength
June 30, 1963.....				382,222
July.....	382,222	5,948	1,802	386,368
August.....	386,368	7,665	1,864	392,169
September.....	392,169	6,095	1,801	396,463
October.....	396,463	3,621	1,305	398,779
November.....	398,779	8,272	1,425	405,626
Grand total.....		31,601	8,197	

## NONDISABILITY

June 30, 1963.....				219,587
July.....	219,587	4,441	354	223,674
August.....	223,674	4,835	479	228,030
September.....	228,030	3,578	635	230,973
October.....	230,973	2,609	403	233,179
November.....	233,179	5,154	411	237,922
Total.....		20,617	2,282	

## TEMPORARY DISABILITY

June 30, 1963.....				15,047
July.....	15,047	435	713	14,769
August.....	14,769	747	674	14,842
September.....	14,842	604	574	14,872
October.....	14,872	254	427	14,699
November.....	14,699	712	600	14,811
Total.....		2,752	2,988	

## PERMANENT DISABILITY

June 30, 1963.....				80,783
July.....	80,783	672	613	80,842
August.....	80,842	758	517	81,083
September.....	81,083	1,020	453	81,650
October.....	81,650	306	344	81,612
November.....	81,612	736	265	82,083
Total.....		3,492	2,192	

## Gains, losses, begin and end strengths, July 1963–November 1963—Continued

## FLEET RESERVE

	Begin strength	Gains	Losses	End strength
June 30, 1963.....				63,092
July.....	63,092	376	109	63,359
August.....	63,359	1,285	187	64,457
September.....	64,457	843	135	65,165
October.....	65,165	409	128	65,446
November.....	65,446	1,610	142	66,914
Total.....		4,523	701	

## SURVIVORS' BENEFITS

June 30, 1963.....				3,713
July.....	3,713	24	13	3,724
August.....	3,724	40	7	3,757
September.....	3,757	50	4	3,803
October.....	3,803	43	3	3,843
November.....	3,843	60	7	3,896
Total.....		217	34	

## Retired personnel electing survivors' benefits and amount of deduction in retired pay

[Deductions in thousands of dollars]

Category	Actual, fiscal year 1963		Estimate, fiscal year 1964		Estimate, fiscal year 1965	
	Number on rolls June 30	Amount of deduction	Number on rolls June 30	Amount of deduction	Number on rolls June 30	Amount of deduction
<b>Nondisability:</b>						
Regular officers.....	9,585	4,230	10,950	5,041	12,324	5,740
Regular enlisted.....	6,564	929	9,051	1,312	11,615	1,672
Non-Regular officers.....	10,465	3,758	12,963	4,907	15,796	5,935
Non-Regular enlisted.....	208	31	236	37	264	42
Subtotal.....	26,822	8,948	33,200	11,297	39,999	13,389
<b>Temporary disability:</b>						
Regular officers.....	554	345	604	383	646	410
Regular enlisted.....	529	71	563	77	600	82
Non-Regular officers.....	284	110	308	128	336	138
Non-Regular enlisted.....	48	3	55	4	63	6
Subtotal.....	1,415	529	1,530	592	1,645	636
<b>Permanent disability:</b>						
Regular officers.....	1,700	1,138	1,767	1,243	1,848	1,311
Regular enlisted.....	645	131	828	180	1,019	230
Non-Regular officers.....	3,832	1,434	3,903	1,557	3,978	1,588
Non-Regular enlisted.....	38	2	45	3	52	4
Subtotal.....	6,215	2,705	6,543	2,983	6,897	3,133
<b>Fleet Reserve.....</b>	8,141	779	9,327	893	10,503	1,005
Total receiving reduced retired pay.....	42,593	12,961	50,600	15,765	59,044	18,163
Number of individuals making cash contributions.....	661	180	742	214	834	239
Grand total.....	43,254	13,141	51,342	15,979	59,878	18,402

## Retired military personnel receiving retired pay as of June 30, 1963

[Monthly amount in thousands of dollars]

Retired pay grade	Nondisability retirements <sup>1</sup>		Disability retirements		Total <sup>1</sup>	
	Number of personnel	Monthly amount	Number of personnel	Monthly amount	Number of personnel	Monthly amount
O-10	52	55	27	29	79	84
O-9	140	133	84	79	224	212
O-8	823	645	444	375	1,267	1,020
O-7	981	641	448	324	1,429	965
O-6	18,343	8,901	5,166	2,890	23,509	11,791
O-5	26,788	9,893	6,012	2,425	32,800	12,318
O-4	24,650	8,014	8,216	2,628	32,866	10,642
O-3	11,523	3,320	13,243	3,248	24,766	6,568
O-2	2,818	683	12,389	2,447	15,207	3,130
O-1	498	112	5,079	882	5,577	994
W-4	3,442	1,216	339	128	3,781	1,344
W-3	4,833	1,277	473	132	5,336	1,409
W-2	10,344	2,436	1,695	406	12,039	2,842
W-1	1,957	412	1,487	283	3,444	695
Total officers	107,192	37,738	55,102	16,276	162,294	54,014
E-9	2,644	617	144	36	2,788	653
E-8	7,511	1,474	455	98	7,966	1,572
E-7	108,359	19,783	11,591	2,236	119,950	22,019
E-6	34,681	5,171	7,224	1,105	41,905	6,276
E-5	16,685	2,116	7,391	939	24,076	3,055
E-4	4,301	471	5,878	523	10,179	994
E-3	946	78	4,904	311	5,850	389
E-2	291	21	2,607	131	2,898	152
E-1	69	6	534	30	603	36
Total enlisted	175,487	29,737	40,728	5,409	216,215	35,146
Grand total	282,679	67,475	95,830	21,685	378,509	89,160

<sup>1</sup> Including Fleet Reserve.

## Summary by fiscal years of the number of retired personnel and cost

[Cost in thousands of dollars]

Category	Actual, fiscal year 1963			Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Year-end	Average number	Cost	Year-end	Average number	Cost	Year-end	Average number	Cost
Nondisability:									
Regular officers	45,677	44,233	217,218	51,245	49,046	254,223	56,332	53,321	287,565
Regular enlisted	110,711	100,405	209,088	136,072	124,009	264,570	161,316	149,601	326,156
Non-Regular officers	61,514	56,756	209,630	71,663	66,837	267,026	83,026	76,336	315,925
Non-Regular enlisted	1,685	1,573	1,957	1,902	1,795	2,393	2,116	2,013	2,866
Subtotal	219,587	202,967	637,893	260,882	241,687	788,212	302,790	281,271	932,512
Temporary disability:									
Regular officers	1,886	1,948	10,773	1,973	1,970	11,324	2,048	2,045	12,187
Regular enlisted	10,955	11,121	18,510	11,003	11,014	18,942	11,035	11,047	19,407
Non-Regular officers	1,375	1,566	6,405	1,265	1,332	5,578	1,206	1,246	5,364
Non-Regular enlisted	831	813	986	841	842	1,097	871	863	1,185
Subtotal	15,047	15,448	36,674	15,082	15,158	36,941	15,160	15,201	38,143
Permanent disability:									
Regular officers	13,214	13,107	60,718	13,435	13,331	64,233	13,645	13,547	68,036
Regular enlisted	26,614	24,893	40,096	20,145	28,349	47,160	33,522	31,803	54,636
Non-Regular officers	38,627	38,320	115,726	39,205	38,910	123,674	39,729	39,456	130,710
Non-Regular enlisted	2,328	2,228	2,034	2,466	2,398	2,315	2,606	2,537	2,558
Subtotal	80,783	78,548	218,574	85,251	82,988	237,382	89,502	87,343	255,940
Fleet Reserve	63,092	58,392	117,642	72,368	68,609	141,619	81,567	77,663	166,682
Survivors' benefits	3,713	3,475	3,992	4,276	4,004	4,846	4,895	4,596	5,723
Total	382,222	358,830	1,014,775	437,859	412,446	1,209,000	493,914	466,074	1,399,000

*Analysis by fiscal years of the number of retired personnel and cost for the Department of Army*

[Cost in thousands of dollars]

Category	Actual, fiscal year 1963			Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Year-end	Average number	Cost	Year-end	Average number	Cost	Year-end	Average number	Cost
<b>Nondisability:</b>									
Regular officers .....	8,348	7,960	52,769	9,540	9,005	62,137	10,525	9,886	71,280
Regular enlisted .....	48,855	43,197	88,399	60,460	54,627	116,328	71,305	65,874	144,641
Non-Regular officers .....	42,517	39,742	146,867	47,455	44,969	178,547	52,645	49,447	205,999
Non-Regular enlisted .....	608	577	479	645	621	594	685	661	690
Subtotal .....	100,328	91,476	288,514	118,100	109,222	357,606	135,160	125,868	422,610
<b>Temporary disability:</b>									
Regular officers .....	236	272	1,704	202	223	1,404	180	194	1,259
Regular enlisted .....	2,383	2,697	4,982	2,212	2,327	4,331	2,120	2,193	4,203
Non-Regular officers .....	753	898	3,791	612	690	2,936	530	577	2,521
Non-Regular enlisted .....	343	338	322	302	326	313	290	300	296
Subtotal .....	3,715	4,205	10,799	3,328	3,566	8,984	3,120	3,264	8,279
<b>Permanent disability:</b>									
Regular officers .....	5,760	5,788	27,590	5,770	5,773	28,360	5,775	5,781	29,386
Regular enlisted .....	11,115	10,333	17,052	12,400	11,681	19,776	13,635	12,943	22,641
Non-Regular officers .....	26,050	25,920	78,491	26,365	26,200	83,363	26,635	26,492	87,895
Non-Regular enlisted .....	1,245	1,178	858	1,320	1,280	1,014	1,390	1,352	1,114
Subtotal .....	44,170	43,219	123,991	45,855	44,934	132,513	47,435	46,568	141,036
Fleet Reserve .....									
Survivors' benefits .....	1,855	1,731	1,796	2,095	1,875	2,294	2,345	2,220	2,674
<b>Total .....</b>	<b>150,068</b>	<b>140,631</b>	<b>425,100</b>	<b>169,378</b>	<b>159,697</b>	<b>501,397</b>	<b>188,060</b>	<b>177,920</b>	<b>574,599</b>

*Analysis by fiscal years of the number of retired personnel and cost for Department of Navy (excluding Marine Corps)*

[Cost in thousands of dollars]

Category	Actual, fiscal year 1963			Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Year-end	Average number	Cost	Year-end	Average number	Cost	Year-end	Average number	Cost
<b>Nondisability:</b>									
Regular officers .....	28,464	27,944	122,432	30,633	29,830	136,940	32,776	31,564	150,574
Regular enlisted .....	22,940	23,048	50,543	24,431	23,603	52,171	26,093	25,344	58,468
Non-Regular officers .....	4,170	3,887	9,708	5,013	4,614	12,388	5,881	5,403	15,119
Non-Regular enlisted .....	1,018	942	1,414	1,179	1,105	1,713	1,336	1,264	2,057
Subtotal .....	56,592	55,821	184,097	61,256	59,152	203,212	66,086	63,575	226,218
<b>Temporary disability:</b>									
Regular officers .....	1,197	1,215	6,824	1,285	1,266	7,389	1,379	1,358	8,276
Regular enlisted .....	5,273	5,062	8,584	5,306	5,292	9,394	5,347	5,328	9,660
Non-Regular officers .....	258	284	1,174	264	264	1,160	270	271	1,247
Non-Regular enlisted .....	392	382	576	447	421	678	493	472	780
Subtotal .....	7,120	6,943	17,158	7,302	7,243	18,621	7,489	7,420	19,963
<b>Permanent disability:</b>									
Regular officers .....	5,157	5,120	21,668	5,160	5,151	22,513	5,166	5,157	23,608
Regular enlisted .....	6,694	6,532	9,942	7,491	7,126	11,084	8,284	7,920	12,646
Non-Regular officers .....	3,376	3,359	9,939	3,379	3,377	10,509	3,383	3,377	11,119
Non-Regular enlisted .....	709	688	889	761	737	979	820	793	1,097
Subtotal .....	15,936	15,699	42,438	16,791	16,391	45,085	17,653	17,247	48,470
Fleet Reserve .....	56,830	52,478	105,614	64,674	61,548	126,451	72,398	69,174	148,072
Survivors' benefits .....	1,066	1,018	1,201	1,226	1,156	1,337	1,386	1,317	1,554
<b>Total .....</b>	<b>137,544</b>	<b>131,959</b>	<b>350,508</b>	<b>151,249</b>	<b>145,490</b>	<b>394,706</b>	<b>165,012</b>	<b>158,742</b>	<b>444,277</b>

*Analysis by fiscal years of the number of retired personnel and cost for Marine Corps*

[Cost in thousands of dollars]

Category	Actual, fiscal year 1963			Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Year-end	Average number	Cost	Year-end	Average number	Cost	Year-end	Average number	Cost
<b>Nondisability:</b>									
Regular officers.....	4,119	4,013	17,504	4,631	4,472	20,462	4,902	4,705	22,216
Regular enlisted.....	1,684	1,676	3,772	1,808	1,737	4,024	1,999	1,920	4,544
Non-Regular officers.....	308	280	726	377	352	972	440	416	1,159
Non-Regular enlisted.....	18	16	26	26	21	37	32	29	52
Subtotal.....	6,129	5,985	22,028	6,842	6,582	25,495	7,373	7,070	27,971
<b>Temporary disability:</b>									
Regular officers.....	356	361	1,771	371	375	2,012	360	371	2,036
Regular enlisted.....	1,661	1,618	2,191	1,691	1,679	2,429	1,712	1,701	2,516
Non-Regular officers.....	60	62	192	62	62	208	62	62	217
Non-Regular enlisted.....	73	79	65	61	67	60	49	55	48
Subtotal.....	2,150	2,120	4,219	2,185	2,183	4,709	2,183	2,189	4,817
<b>Permanent disability:</b>									
Regular officers.....	935	926	3,813	965	956	4,111	905	985	4,335
Regular enlisted.....	1,690	1,516	1,802	1,827	1,721	2,178	2,061	1,955	2,536
Non-Regular officers.....	768	760	1,971	770	770	2,229	772	772	2,159
Non-Regular enlisted.....	307	299	209	313	311	238	319	317	248
Subtotal.....	3,600	3,501	7,795	3,875	3,758	8,756	4,147	4,029	9,278
Fleet Reserve.....	6,262	5,914	12,028	7,694	7,061	15,168	9,169	8,489	18,610
Survivors' benefits.....	105	97	118	123	113	137	141	131	159
Total.....	18,246	17,617	46,188	20,719	19,697	54,265	23,013	21,908	60,835

*Analysis by fiscal years of the number of retired personnel and cost for Department of the Air Force*

[Cost in thousands of dollars]

Category	Actual, fiscal year 1963			Estimate, fiscal year 1964			Estimate, fiscal year 1965		
	Year-end	Average number	Cost	Year-end	Average number	Cost	Year-end	Average number	Cost
<b>Nondisability:</b>									
Regular officers.....	4,746	4,316	24,513	6,441	5,739	34,684	8,129	7,166	43,495
Regular enlisted.....	37,232	32,484	66,374	49,373	44,042	92,047	61,919	56,463	118,503
Non-Regular officers.....	14,519	12,847	52,329	18,818	16,902	75,119	24,060	21,070	93,648
Non-Regular enlisted.....	41	38	38	52	48	49	63	59	67
Subtotal.....	56,538	49,685	143,254	74,684	66,731	201,899	94,171	84,758	255,713
<b>Temporary disability:</b>									
Regular officers.....	97	100	474	115	106	519	129	122	616
Regular enlisted.....	1,638	1,744	2,753	1,794	1,716	2,788	1,856	1,825	3,028
Non-Regular officers.....	304	322	1,248	327	316	1,274	344	336	1,379
Non-Regular enlisted.....	23	14	23	31	28	46	39	36	61
Subtotal.....	2,062	2,180	4,498	2,267	2,166	4,627	2,368	2,319	5,084
<b>Permanent disability:</b>									
Regular officers.....	1,362	1,273	7,647	1,540	1,451	9,249	1,709	1,624	10,707
Regular enlisted.....	7,215	6,512	11,300	8,427	7,821	14,122	9,542	8,985	16,813
Non-Regular officers.....	8,433	8,281	25,325	8,691	8,563	27,573	8,939	8,815	29,537
Non-Regular enlisted.....	67	63	78	72	70	84	77	75	99
Subtotal.....	17,077	16,129	44,350	18,730	17,905	51,028	20,267	19,499	57,156
Survivors' benefits.....	687	629	877	832	760	1,078	1,023	928	1,336
Total.....	76,364	68,623	192,979	96,513	87,562	258,632	117,829	107,504	319,289

Mr. SPENCE. Colonel Berg, the Deputy Assistant Secretary of Defense for Military Personnel Policy, Colonel Whall from that same office, and Mr. Snyder, of the Office of the Administrative Assistant to the Secretary of Defense, are here today and between the four of us we will attempt to answer any questions which you may have.

Mr. SIKES. Thank you very much.

As you have stated, this is a request for an appropriation of \$1.399 billion for payment of retired pay, military personnel.

JUSTIFICATION OF THE ESTIMATE

I shall ask the clerk to insert at this point in the record pages 4, 7, 8, 11, 12, 15, 16, 19, 20, 23, and 24 of the justifications.

(The pages follow:)

Summary of obligations by major category

[Dollar amounts in thousands]

Category	1963 actual		1964 estimate		1965 estimate	
		Percent		Percent		Percent
1. Nondisability.....	\$637, 893	62.86	\$788, 212	65.20	\$932, 512	66.66
2. Temporary disability.....	36, 674	3.62	36, 941	3.06	38, 143	2.73
3. Permanent disability.....	218, 574	21.54	237, 382	19.63	255, 940	18.29
4. Fleet Reserve.....	117, 642	11.59	141, 619	11.71	166, 682	11.91
5. Survivors' benefits.....	3, 992	.39	4, 846	.40	5, 723	.41
Total.....	1, 014, 775	100.00	1, 209, 000	100.00	1, 399, 000	100.00

Nondisability retirements—Summary for fiscal years 1963, 1964, and 1965

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Average number	Total	Average number	Total	Average number	Total
1. Regular officers.....	44, 233	\$217, 218	49, 046	\$254, 223	53, 321	\$287, 565
2. Regular enlisted.....	100, 405	209, 088	124, 009	264, 570	149, 601	326, 156
3. Non-Regular officers.....	56, 756	209, 630	66, 837	267, 026	76, 336	315, 925
4. Non-Regular enlisted.....	1, 573	1, 957	1, 795	2, 393	2, 013	2, 866
Total.....	202, 967	637, 893	241, 687	788, 212	281, 271	932, 512

## Comparison of gains and losses

Category	Number on rolls beginning of year	Gains during year	Losses during year	Net change	Number on rolls end of year	Man-year average
<b>Actual, fiscal year 1963:</b>						
Regular officers.....	41,267	5,169	759	4,410	45,677	44,233
Regular enlisted.....	86,961	27,079	3,329	23,750	110,711	100,405
Non-Regular officers.....	50,903	11,647	1,036	10,611	61,514	56,756
Non-Regular enlisted.....	1,460	294	69	225	1,685	1,573
Total.....	180,591	44,189	5,193	38,996	219,587	202,967
<b>Estimated, fiscal year 1964:</b>						
Regular officers.....	45,677	6,455	887	5,568	51,245	49,046
Regular enlisted.....	110,711	28,564	3,203	25,361	136,072	124,009
Non-Regular officers.....	61,514	11,368	1,219	10,149	71,663	66,837
Non-Regular enlisted.....	1,685	298	81	217	1,902	1,795
Total.....	219,587	46,685	5,390	41,295	260,882	241,687
<b>Estimated, fiscal year 1965:</b>						
Regular officers.....	51,245	6,139	1,052	5,087	56,332	53,321
Regular enlisted.....	136,072	28,988	3,744	25,244	161,316	149,601
Non-Regular officers.....	71,663	12,754	1,391	11,363	83,026	76,336
Non-Regular enlisted.....	1,902	302	88	214	2,116	2,013
Total.....	260,882	48,183	6,275	41,908	302,790	281,271

## Temporary disability retirements—Summary for fiscal years 1963, 1964, and 1965

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Average number	Total	Average number	Total	Average number	Total
1. Regular officers.....	1,948	\$10,773	1,970	\$11,324	2,045	\$12,187
2. Regular enlisted.....	11,121	18,510	11,014	18,942	11,047	19,407
3. Non-Regular officers.....	1,566	6,405	1,332	5,578	1,246	5,364
4. Non-Regular enlisted.....	813	986	842	1,097	863	1,185
Total.....	15,448	36,674	15,158	36,941	15,201	38,143

## Comparison of gains and losses

Category	Number on rolls beginning of year	Gains during year	Losses during year	Net change	Number on rolls end of year	Man-year average
<b>Actual, fiscal year 1963:</b>						
Regular officers.....	1,854	521	489	32	1,886	1,948
Regular enlisted.....	10,937	5,327	5,309	18	10,955	11,121
Non-Regular officers.....	1,659	509	793	(284)	1,375	1,566
Non-Regular enlisted.....	837	393	399	(6)	831	813
Total.....	15,287	6,750	6,990	(240)	15,047	15,448
<b>Estimated, fiscal year 1964:</b>						
Regular officers.....	1,886	505	418	87	1,973	1,970
Regular enlisted.....	10,955	4,780	4,732	48	11,003	11,014
Non-Regular officers.....	1,375	469	579	(110)	1,265	1,332
Non-Regular enlisted.....	831	336	326	10	841	842
Total.....	15,047	6,090	6,055	35	15,082	15,158
<b>Estimated, fiscal year 1965:</b>						
Regular officers.....	1,973	490	415	75	2,048	2,045
Regular enlisted.....	11,003	4,758	4,726	32	11,035	11,047
Non-Regular officers.....	1,265	462	521	(59)	1,206	1,246
Non-Regular enlisted.....	841	337	307	30	871	863
Total.....	15,082	6,047	5,969	78	15,160	15,201

*Permanent disability retirements—Summary for fiscal years 1963, 1964, and 1965*

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Average number	Total	Average number	Total	Average number	Total
1. Regular officers.....	13, 107	\$60, 718	13, 331	\$64, 233	13, 547	\$68, 036
2. Regular enlisted.....	24, 893	40, 096	28, 349	47, 160	31, 803	54, 636
3. Non-Regular officers.....	38, 320	115, 726	38, 910	123, 674	39, 456	130, 710
4. Non-Regular enlisted.....	2, 228	2, 034	2, 398	2, 315	2, 537	2, 558
Total.....	78, 548	218, 574	82, 988	237, 382	87, 343	255, 940

*Comparison of gains and losses*

Category	Number on rolls beginning of year	Gains during year	Losses during year	Net change	Number on rolls end of year	Man-year average
<b>Actual, fiscal year 1963:</b>						
Regular officers.....	13, 011	743	540	203	13, 214	13, 107
Regular enlisted.....	23, 441	5, 585	2, 412	3, 173	26, 614	24, 893
Non-Regular officers.....	38, 097	1, 595	1, 065	530	38, 627	38, 320
Non-Regular enlisted.....	2, 191	279	142	137	2, 328	2, 228
Total.....	76, 740	8, 202	4, 159	4, 043	80, 783	78, 548
<b>Estimated, fiscal year 1964:</b>						
Regular officers.....	13, 214	695	474	221	13, 435	13, 331
Regular enlisted.....	26, 614	5, 493	1, 962	3, 531	30, 145	28, 349
Non-Regular officers.....	38, 627	1, 460	882	578	39, 205	38, 910
Non-Regular enlisted.....	2, 328	248	110	138	2, 466	2, 398
Total.....	80, 783	7, 896	3, 428	4, 468	85, 251	82, 988
<b>Estimated, fiscal year 1965:</b>						
Regular officers.....	13, 435	690	490	210	13, 645	13, 547
Regular enlisted.....	30, 145	5, 431	2, 054	3, 377	33, 522	31, 803
Non-Regular officers.....	39, 205	1, 422	898	524	39, 729	39, 456
Non-Regular enlisted.....	2, 466	254	114	140	2, 606	2, 537
Total.....	85, 251	7, 797	3, 546	4, 251	89, 502	87, 343

*Fleet Reserve—Summary for fiscal years 1963, 1964, and 1965*

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Average number	Total	Average number	Total	Average number	Total
Regular enlisted.....	58, 392	\$117, 642	68, 609	\$141, 619	77, 663	\$166, 682

*Comparison of gains and losses*

Category	Number on rolls beginning of year	Gains during year	Losses during year	Net change	Number on rolls end of year	Man-year average
Actual, fiscal year 1963.....	52, 863	11, 611	1, 382	10, 229	63, 092	58, 392
Estimated, fiscal year 1964.....	63, 092	12, 129	2, 853	9, 276	72, 368	68, 609
Estimated, fiscal year 1965.....	72, 368	12, 382	3, 183	9, 199	81, 567	77, 663

## Survivors' Benefits—Summary for fiscal years 1963, 1964, and 1965

[Dollar amounts in thousands]

	1963 actual		1964 estimate		1965 estimate	
	Average number	Total	Average number	Total	Average number	Total
Survivors.....	3,475	\$3,992	4,004	\$4,846	4,596	\$5,723

## Comparison of gains and losses

Category	Number on rolls beginning of year	Gains during year	Losses during year	Net change	Number on rolls end of year	Man-year average
Actual, fiscal year 1963.....	3,271	511	69	442	3,713	3,475
Estimated, fiscal year 1964.....	3,713	650	87	563	4,276	4,004
Estimated, fiscal year 1965.....	4,276	724	105	619	4,895	4,595

## INCREASE IN NONDISABILITY RETIREMENTS

Mr. SIKES. I notice on page 3 of your statement, Mr. Spence, a very significant increase in the number of annuitants under the non-disability category, in which you go from 241,687 in fiscal year 1964 to 281,271 in fiscal year 1965. Would you kindly explain that, why this very large increase?

Mr. SPENCE. This increase from fiscal year 1964 to 1965 of approximately 40,000 people represents a part of the input to the retired rolls of those people who entered the service during World War II who are now completing the 20 years of service required to qualify for retirement.

These people will continue to be going into the retired rolls in fairly substantial numbers for a number of years to come. As I indicated, we expect the peak input, the peak number of people being added to the retired rolls to occur in about 1968.

Mr. SIKES. You have now reached the hump that we have been talking about for a long time.

Mr. SPENCE. In 1968 the peak in the retired rolls will take place. That is what we expect.

## SUPPLEMENTAL ESTIMATE PRESENTED FOR 1964

Mr. SIKES. The budget indicates a supplemental estimate of \$20 million which has been presented to Congress for retired pay, 1964.

By coincidence, this is the amount of the reduction made by the Committee in your estimate for 1964. We tried to outguess you but apparently we didn't. Would you discuss the pending supplemental?

Mr. SPENCE. As you indicated, sir, we feel that there will be a requirement for an additional \$20 million in order to support the retired rolls during the remainder of this fiscal year. In addition to that, the other amount which will be required is attributable to the increased pay provided by the recent Pay Act.

It is difficult to estimate with great exactitude the exact numbers of people who will enter the retired rolls because of the fact that a

substantial part of the addition to the rolls do come from people who voluntarily retire.

As a result it is difficult to hit the nail on the head and based upon the trends which we have observed during the first 6 months of this year, it appears that we will be short somewhere in the neighborhood of \$20 million—maybe a little more, maybe a little less, but approximately that.

Mr. SIKES. Of course, this is an obligation which must be paid. There is no choice.

Mr. SPENCE. Yes, sir.

Mr. OSTERTAG. Will the Chairman yield?

Mr. SIKES. Yes.

#### PEAK RETIREMENT YEAR AND PEAK COST YEAR

Mr. OSTERTAG. The Chairman raised the question about the peak period and I believe you said, Mr. Spence, that the peak period would come in 1968; is that correct?

Mr. SPENCE. Yes, sir.

May I speak to that point for a minute? The peak accessions to the retired rolls will occur, based upon our projections, in 1968. However, the peak cost required to support the retired pay appropriations will not occur until some future date thereafter.

Mr. OSTERTAG. Your peak of 1968 refers primarily to numbers; is that correct?

Mr. SPENCE. Numbers of people being added to the retired rolls.

Mr. OSTERTAG. I concur with the expression of the Chairman. This is an obligation that has to be met. There is not any changing of figures. It has to be paid, but in looking ahead on this whole question of retired pay—and basically we are for it; we believe in the purpose and in the principle—but it can and might well run into staggering obligations and responsibilities. After all, here we are reaching a period of approximately \$1,400 million as an annual cost. You say in 1968 we would reach the numerical peak. Are you taking into account the fact that the lifespan is broadening and that people are going to live longer, as well as other factors that might accrue as a rule? In other words, you show a balance of those that will go out as well as those that will ascend to the retired pay status, but are they going to go out as fast as they come in, in view of the fact that people are going to live longer?

Mr. SPENCE. No, sir. They will not.

Mr. OSTERTAG. Then why do you say we can reach a peak in 1968?

Mr. SPENCE. Sir, the peak number of new retirements from active duty will occur in fiscal year 1968.

Mr. OSTERTAG. Is that based on maintaining the same personnel military strength that we have today?

Mr. SPENCE. We assume that the current military strengths will hold; is that right, Colonel Whall?

Colonel WHALL. That is correct.

Mr. FORD. Will the Chairman yield?

Mr. SIKES. Yes.

RETIREMENT PAY PROPORTION OF ANNUAL MILITARY COSTS

Mr. FORD. This year, fiscal year 1965, we are having an increase of people on the rolls to almost half a million—500,000. In the budget that is forecast or presented to us we are having a decrease in obligation authority and our expenditure level is going to be about the same, maybe a little less.

The net result is that our retired pay becomes a bigger percentage of the defense cost. Isn't that correct?

Mr. SPENCE. Yes, sir. That is undoubtedly true.

Mr. FORD. I suspect in fiscal year 1965 it goes up more than it has heretofore because you are having a drop in obligational authority and a drop in expenditures, with a corresponding increase in numbers on retired rolls and an increase in rates. It will never equal one for one, I hope, but it would be interesting to have for the record a chart showing the percentage of the total defense bill expenditures of retired pay. Last year I asked for a similar chart, as shown on page 387 of the hearings for last year, Part 3, "Military Personnel." Would you bring that up to date.

It shows annual expenditures, all military functions in one column; another column, retired pay; another column, percent.

It will be interesting to see how the figure moves up.

Mr. SPENCE. Yes, sir.

Mr. FORD. That will be for fiscal year 1965 as best you can estimate it?

Mr. SPENCE. We will be glad to do that.

(The information requested follows:)

*Annual expenditures—Department of Defense*

[Dollar amounts in millions]

Fiscal year	All military functions	Retired pay	Percent	Fiscal year	All military functions	Retired pay	Percent
1937	\$934	\$55	5.89	1952	\$38,897	\$331	0.85
1938	1,033	59	5.71	1953	43,604	356	.82
1939	1,075	61	5.67	1954	40,326	386	.96
1940	1,492	66	4.42	1955	35,531	422	1.19
1941	5,998	73	1.22	1956	35,791	479	1.34
1942	23,570	84	.36	1957	38,436	511	1.33
1943	62,664	49	.08	1958	39,070	561	1.44
1944	75,797	57	.08	1959	41,223	635	1.54
1945	80,048	57	.07	1960	41,215	693	1.68
1946	42,044	85	.20	1961	43,227	788	1.82
1947	13,838	140	1.01	1962	46,815	896	1.91
1948	10,937	175	1.60	1963	48,252	1,015	2.10
1949	11,573	193	1.67	1964 (estimated)	50,900	1,229	2.41
1950	11,891	304	2.56	1965 (estimated)	50,000	1,399	2.80
1951	19,764	324	1.64				

Mr. OSTERTAG. On the same point, do you have a breakdown of your estimates per year until you reach the peak and then leveling off—not in terms of dollars, but in terms of numbers?

OBLIGATIONS FOR RETIRED PAY 1950-1970, BY YEAR

Mr. SIKES. May I state to the gentleman that I intend to ask that we have provided for the record an up-to-date table of actual and estimated obligations, 1950 through 1970, similar to that which appeared on page 382 of the record last year. I think that is what you are getting at.

Mr. FORD. Yes.

Mr. SPENCE. This will be provided.  
(The information requested follows:)

*Actual and estimated obligations for military retired pay, fiscal years 1950-70,  
Department of Defense*

Fiscal year	Under existing law	Fiscal year	Under existing law
1950 actual.....	\$304,376,499	1961 actual.....	\$787,806,000
1951 actual.....	324,089,227	1962 actual.....	895,854,000
1952 actual.....	330,597,804	1963 actual.....	1,014,775,000
1953 actual.....	356,385,315	1964 estimated.....	1,229,000,000
1954 actual.....	386,297,962	1965 estimated.....	1,399,000,000
1955 actual.....	422,102,485	1966 estimated.....	1,535,000,000
1956 actual.....	478,931,770	1967 estimated.....	1,670,000,000
1957 actual.....	510,784,009	1968 estimated.....	1,807,000,000
1958 actual.....	560,961,693	1969 estimated.....	1,946,000,000
1959 actual.....	634,542,051	1970 estimated.....	2,063,000,000
1960 actual.....	692,922,172		

Mr. SIKES. Getting back to this \$20 million supplemental which we discussed, I do not find anything in your table on page 7 of the justifications to show \$20 million lacking. Is this for personnel yet to retire?

Mr. SPENCE. It depends on where you put these dollars, actually. It is required in order to support the total number of people who would be on the retired rolls, based upon our best forecast of what will occur in the future.

Mr. SIKES. You are forecasting that there will be that requirement by the end of the fiscal year?

Mr. SPENCE. Yes, sir.

DEDUCTIONS ACCUMULATED FOR PAYMENT OF SURVIVORS' BENEFITS

Mr. SIKES. Page 25 of the justifications indicates that by the end of 1965 there will have accumulated in excess of \$75 million in deductions under the program for payment of survivors' benefits.

I am assuming that this is a memorandum account and does not represent appropriations invested in trust accounts?

Mr. SPENCE. That is right, sir. This does not represent a trust fund. It merely is a bookkeeping type of entry, representing the amount of dollars which would have been paid in retired pay but for the fact the man's retired pay was reduced.

Mr. SIKES. Mr. Ford?

ACCURACY OF LONG-RANGE FORECASTS

Mr. FORD. From time to time, I believe every year, we have asked for a forecast of the costs over the next 10 years or thereabouts. I haven't had an opportunity to compare what your forecasts were as we moved into that particular fiscal year. How accurate have you been? Have you ever checked that out?

Colonel WHALL. Mr. Ford, we have checked it out. We have not been too accurate, due to two or three things that have come up. One was, of course, the pay increase that we recently had; two, was the Berlin buildup, which delayed retirements; the Cuban crisis, and prior to that the Lebanon actions.

Those are factors, sir, and our long-range projection that we made in 1959 has been underestimated as events have taken place. Therefore, we have confined our projections to about a 10-year period or less now, while the one in 1959 went through 1983.

Mr. FORD. What will the proposed military pay bill do, as best you can estimate, to the figure you have before us today, if enacted as recommended?

Colonel WHALL. The pay bill that we are proposing will increase the retired pay estimate for fiscal year 1965 by a total of \$1,462,000. That is for the increased rates for those personnel who retire subsequent to October 1, 1964, which is the proposed effective date. They will retire at a higher rate during that 9-month period in fiscal year 1965.

It does not include any pay for those people on the rolls prior to that date because those people, their pay is now adjusted, based upon an increase in the consumer price index, as put out by the Bureau of Labor Statistics, and that only happens whenever the CPI increases 3 percent or more, and as of November of this last year, based upon 1962 as the average base year, it had only gone up 1.89 percent and therefore they will predict no increase in retired pay for those people already on the retired rolls.

Mr. FORD. Under the law we have today you have a fixed rate but you also have this cost-of-living factor for all who have retired, or all who do subsequently retire; is that correct?

Colonel WHALL. That is correct.

#### CALCULATION OF COST-OF-LIVING PAY INCREASES

Mr. FORD. And the provision says that in any one year that there is a 3-percent increase in the cost of living, then there is an increase in the rates paid?

Colonel WHALL. To those people on the retired rolls prior to January 2 of the year in which the rate goes into effect, using 1962 as the base year, or any subsequent years.

For example, the pay raise that was enacted in 1963 included a 5-percent cost of living increase for all personnel who were on the retired rolls, except that group that were allowed to recompute under other rates.

That brought them up to 1962. Now that is, then, our base year, and when our CPI increases 3 percent or more over 1962, then they will get an increase in their retired pay, but only those people who are on the retired rolls on the second of January of the year in which it goes into effect. The retired pay increase goes into effect on April 1.

Mr. FORD. So it is a cumulative 3 percent, not 3 percent in a year.

Colonel WHALL. That is right. It is 3 percent cumulative; that is correct.

Mr. OSTERTAG. Just one point: You point out in your statement that your supplemental budget request is \$86 million for fiscal year 1964, of which \$66 million is attributable to the new law or Pay Act of 1963. That means that you were 20 million short in your original budget request to meet your obligations; isn't that correct?

Mr. SPENCE. We were \$20 million short in the amount of money appropriated to the retired pay fund; yes, sir.

Mr. OSTERTAG. How firm is this \$1,399 million for fiscal year 1965, aside from any new law that might be enacted which would change that figure?

Mr. SPENCE. Sir, we certainly cannot guarantee that the \$1.399 billion is going to be exactly the amount that is required; however, it is the best estimate that we can make, taking into account past experience, the types of people who retire in the past, their length of service, their grade, et cetera. We feel that it is a good sound estimate, based upon the factors which we have developed over the years.

Mr. OSTERTAG. Have you ever overestimated?

Mr. SPENCE. Yes, sir; we have. We have overestimated and we have underestimated but on the whole it has been a reasonably accurate forecast of our requirements.

Mr. OSTERTAG. Thank you.

Mr. SIKES. Thank you very much, gentlemen.

(The following additional information was provided in response to a question appearing on p. 18:)

#### STOCK FUND CASH REQUIREMENTS AND AVAILABILITY

It is the policy of the Secretary of Defense to operate the stock funds of the Department with minimum cash balances consistent with the execution of approved programs, and legal requirements under the provisions of section 3679, Revised Statutes (antideficiency law).

During the development of each year's budget, the current and projected cash balances of each stock fund are closely analyzed to determine if any cash above requirements is available or will be generated as a result of operations of the fund. As a matter of policy, cash that is not required to meet program and other valid needs of the stock funds is recommended for transfer to other defense appropriations to offset NOA requirements of the budget year.

#### CASH REQUIREMENTS

Stock fund cash requirements for each fiscal year are directly related to established program requirements and are not associated with any specific number of days of expenditure. These requirements are established through the determination of amounts needed to cover four principal purposes:

(a) *Accounts payable.*—The provisions of section 3679 Revised Statutes require that the cash balance in a stock fund must at least equal the amount of accounts payable at all times or there is a violation of law. The amount of cash estimated to be required to cover accounts payable is not necessarily the end-year balance of this account, but is established after giving consideration to variations that occur in accounts payable during the year. The cash requirement programed is therefore designed to meet the legal requirement of "cash at least equal to accounts payable at all times." The total estimated cash required to meet this objective is:

	<i>Millions</i>
Fiscal year 1964.....	\$357
Fiscal year 1965.....	355

(b) *Undelivered war reserve procurement.*—At the end of each fiscal year quantities of materiel procured for war reserves are on contract but undelivered. Upon delivery this materiel is planned to be held in inventory and is not available for sale except in an emergency. Since war reserve materiel must be paid for but is not sold, cash must be reserved from available balances within each fund to reimburse contractors upon delivery. Procurement of war reserves therefore results in the conversion of cash of a stock fund into inventory that is held by the fund. To assure that payment can be made under these contractual obligations upon delivery, cash must be reserved at the end of each fiscal year to cover undelivered balances of such materiel. Cash required for this purpose totals:

	<i>Millions</i>
Fiscal year 1964.....	\$55
Fiscal year 1965.....	65

(c) *Initial provisioning of repair parts and supplies.*—As new major items of equipment are purchased and provided to operating forces, the stock fund must establish initial peacetime stock levels of inventory to support these new equipments. Purchases for stock levels of new items results in the conversion of cash into inventory similar to procurement of war reserves, since these levels represent the normal safety and operating levels of material required to be on hand to assure continuity of supply to users. Cash must therefore be reserved at the end of each fiscal year to liquidate contractual obligations for parts and supplies required for initial provisioning. This requirement is:

Fiscal year 1964.....	Millions \$103
Fiscal year 1965.....	78

(d) *Minimum operating cash requirement.*—Just as in any business operation, there is a need for a minimum cash amount above an actual computed operating requirement to cover unpredictable program variations. The Department of Defense stock funds' programs for fiscal years 1964 and 1965 contemplate gross expenditures in excess of \$6.3 billion and gross collections of about \$6.6 billion in each year. It is clear that a small percentage variation in either of these amounts can significantly affect the cash balances of the funds, and that prudent management dictates that a cash balance must be programed to accommodate variations which will inevitably occur when projections must be made 6 and 18 months before the end of the current year and the budget year, respectively. Considerable research has been made to determine a reasonable cash amount that should be held for this purpose, but due to the fact that variances from estimates do not follow any given pattern and underlying causes differ from year to year, past experience does not provide a clear-cut answer as to a precise amount that should be reserved. For example, the following variations were experienced in fiscal years 1962 and 1963:

[In millions of dollars]

	Collections	Expenditures	Net expenditures
Fiscal year 1962:			
Estimated January 1962.....	5,759.2	5,476.9	-282.3
Actual.....	5,790.5	5,686.9	-103.6
Variation.....	+31.3	+210.0	+178.7
Percent variation.....	+5	+3.8	+63.5
Fiscal year 1963:			
Estimated January 1963.....	6,455.0	6,112.7	-342.3
Actual.....	6,135.0	5,949.2	-185.8
Variation.....	-320.0	-163.5	+156.5
Percent variation.....	-5.0	-2.7	+45.7

Thus, the variations have fluctuated considerably in the past 2 years. As a result, it has been decided that a most conservative provision for variation in collection and expenditure estimates would be 1½ percent of the estimated expenditures and 1½ percent of estimated collections. This has been programed as a part of the cash requirements at the end of fiscal years 1964 and 1965. This requirement totals \$192.0 million for fiscal year 1964, and \$191.0 million for fiscal year 1965.

The total cash balance required to be available in Department of Defense stock fund at the end of fiscal year 1964 is \$707.0 million, and \$689.0 million at the end of fiscal year 1965. The distribution of this requirement for each purpose and stock fund is shown on tables 1 and 2.

#### CASH AVAILABILITY

The cash balances available to meet the cash requirements described above are composed of the cash balances at the end of the year plus collections from sales, less expenditures for purchases and planned transfers to other defense appropriations. Thus, three items are considered:

(a) The cash balance at the end of each year. It is important to note that in the budget presentation the end-year estimates are made over 6 months before the end of the current fiscal year and 18 months before the end of the budget year, and attainment is therefore dependent upon achievement of the estimated collections and expenditures for each fiscal year.

(b) The net increase or decrease in the cash balance resulting from cash flow (collections and expenditures during the year). Every year since stock funds were established under the Department of Defense there has been a net negative expenditure. That is, collections for the sale of material have exceeded expenditures for purchase of replacements. This has been possible because large dollar values of long-supply inventory were capitalized by stock funds and these inventories have been drawn down. Also, through the years logistic guidance and requirements computations have been improved, generally resulting in lower computed requirements for material. Coupled with stock fund management, these factors have resulted in reduced purchases of material that become long supply. It is estimated that the stock funds will have net negative expenditures of \$265.8 million in fiscal year 1964 and \$269.0 million in fiscal year 1965.

(c) Transfers of stock fund cash to the military personnel appropriations of the military services are recommended when it has been determined that cash can be released without detriment to stock fund operations. Transfers of \$175.0 million in fiscal year 1964 and \$200.0 million in fiscal year 1965 are programed.

The estimated cash balance in stock funds at the end of fiscal year 1965, after providing for planned transfers, totals \$776.0 million. This amount represents only 6 percent of the total collections and expenditures for the year, or less than 45 days of expenditure at the fiscal year 1965 rate.

#### SUMMARY

At the end of fiscal year 1964, computed cash requirement totals \$707 million. This is equal to the estimated cash balance to be available after making transfers of \$175 million to military personnel appropriations. No additional cash is available for transfer in fiscal year 1964 if approved programs are to be executed and the legal requirements of section 3679, Revised Statutes are to be met.

Cash requirements at the end of fiscal year 1965 total \$689 million. The estimated cash balance to be available after transfer of \$200 million to military personnel appropriations is \$776 million. The difference of \$87 million between the cash requirements and cash balance programed to be retained in the fund is distributed in relatively nominal amounts among all of the stock funds.

This amount has not been recommended for transfer for several reasons. It is believed prudent to retain a reasonable amount of cash above computed requirements to meet emergency and unprogramed requirements which cannot be foreseen, and to provide a small contingency amount to cover unpredicted variations in accounts payable balances, expenditures or collections that might exceed the computed cash requirements. It should be noted that except for the Marine Corps, the amount retained in any stock fund above the computed requirement is less than 1 percent of the projected expenditures and collections for fiscal year 1965, and represents only 3 to 6 days of expenditures for each fund.

It is important to note that, with the exception of the Air Force stock fund, the cash transfers recommended for fiscal year 1965 are to be made from cash generated in fiscal year 1965. Net negative expenditures of \$269 million (cash additions) are estimated for fiscal year 1965. Transfer of \$200 million to military personnel appropriations is recommended.

#### GENERAL PROVISION

The Department of Defense policy to determine and maintain the cash balances in stock funds to meet operating and legal requirements of the funds and to transfer cash above these amounts to military personnel appropriations to reduce new obligational requirements will result in a reduction of cash from over \$1,002.7 million at the end of fiscal year 1961 to \$776 million at the end of fiscal year 1965. This is largely due to the fact that the current cash requirements criteria is much more stringent than the old "60 days of expenditures" rule followed in fiscal year 1961. As a result, the margin of cash held in stock funds above the direct and immediate requirements has become proportionately less and less in relation to the volume of stock fund business. For example, in the period that the cash balance is to be reduced by \$226.7 million or 23 percent (fiscal years 1961-65), the sales volume of the funds is estimated to increase by 31 percent. When the cash margin retained in stock funds was more directly related to the volume of business sufficient flexibility existed in all stock funds to meet more extreme variations in cash expenditures and collections and to support urgent and unprogramed procurement requirements that develop in emergency situations. However, as this cash margin has been decreased, the flexibility to meet valid unprogramed requirements to procure material for support of force needs or to cover unexpected cash

variations does not exist to the extent we feel is essential to defense needs. It is for this reason that a general provision has been requested for fiscal year 1965 to permit the Secretary of Defense, upon approval of the Bureau of the Budget, to transfer cash between Department of Defense stock funds.

In the past, individual stock fund collection and expenditure deviations from estimates varied considerably. For example, the percentage variations from estimates in fiscal year 1963 were:

[In percent]

	Collections	Expenditures	Net expenditures
Army.....	-6.0	-4.1	+35.7
Navy.....	-2.0		+68.8
Marine Corps.....	-5.8	-8.0	+24.6
Air Force.....	-1.8	-3.3	+50.5
Defense.....	-8.2	-2.3	+34.7

Thus, collection deviations ranged from -8.2 to -1.8 percent and expenditures from -8.0 percent to no deviation at all. Fortunately, adequate cash was available so that no program changes were required in order to remain within legal limitations.

Generally the reductions in collections were offset somewhat by reductions in expenditures. The variation provision in the cash requirements computations assumes that this general pattern will prevail in the future. Nevertheless, in any given fund this condition might not pertain. The general provision will assure the capability of meeting a major variation as well as unprogramed emergency procurement requirements under the stock funds.

It is planned that the authority will be used only in those instances where it is necessary to provide cash in a given stock fund so as to meet the requirements of section 3679, Revised Statutes, to carry out an approved procurement program, or to meet an unforeseen or emergency requirement that cannot be covered by the cash within a given stock fund but can be satisfied within the cash available to the stock funds as a whole.

In the process of determining the course of action to provide the added cash flexibility essential to the operation of stock funds, two alternatives were considered that would also provide the needed flexibility.

The first was to request the necessary legislation to establish the legal requirement (sec. 3679, R.S.) for cash in a stock fund as the amount necessary to make cash disbursements at any time and to provide authority to transfer cash between stock funds. This alternative would provide the needed flexibility and at the same time reduce cash requirements.

The second alternative considered was to request legislation to exempt stock funds from the provisions of section 3679, Revised Statutes thereby eliminating the legal requirement that cash be at least equal to accounts payable at all times.

The general provision recommended in the President's budget was determined to be the best solution since it represents the least change to current stock fund cash policies and does not involve any special treatment for stock funds with respect to the application of section 3679, Revised Statutes.

#### CURRENT CASH STATUS

The cash balance in DOD stock funds as of December 31, 1963, totals \$777.5 million before deducting transfers of the \$175.0 million programed for fiscal year 1964. Therefore, the net cash available at that date was \$602.5 million as compared with the end fiscal year 1964 objective of \$707.0 million. Thus, during the balance of fiscal year 1964 additional cash totaling \$104.5 million must be generated to meet the fiscal year 1964 year-end objective.

TABLE 1.—Stock fund cash requirements and availability, fiscal year 1964

[In millions of dollars]

	Stock fund					
	Army	Navy	Marine Corps	Air Force	Defense	Total
<b>Cash requirements:</b>						
Accounts payable.....	100.0	47.0	15.0	120.0	75.0	357.0
Provision for variation.....	60.0	38.0	4.0	40.0	50.0	192.0
Undelivered war reserves.....	15.0	5.0	10.0	-----	25.0	55.0
Undelivered initial provisioning.....	78.0	17.0	8.0	-----	-----	103.0
<b>Total cash requirement.....</b>	<b>253.0</b>	<b>107.0</b>	<b>37.0</b>	<b>160.0</b>	<b>150.0</b>	<b>707.0</b>
<b>Cash availability:</b>						
Cash balance, July 1, 1963.....	215.2	62.0	33.2	208.8	97.0	616.2
<b>Cash transactions, fiscal year 1964:</b>						
Collections (+).....	2,008.0	1,295.1	133.4	1,346.7	1,785.5	6,568.7
Expenditures (-).....	1,932.2	1,295.1	135.4	1,324.7	1,615.5	6,302.9
Net expenditures (+ or -).....	-75.8	-----	+2.0	-22.0	-170.0	-265.8
Transfers, fiscal year 1964 Appropriations Act (-).....	50.0	-----	-----	25.0	100.0	175.0
Net increase (+).....	25.8	-----	-----	-----	70.0	95.8
Net decrease (-).....	-----	-----	2.0	3.0	-----	5.0
<b>Cash balance, June 30, 1964.....</b>	<b>241.0</b>	<b>62.0</b>	<b>31.2</b>	<b>205.8</b>	<b>167.0</b>	<b>707.0</b>
<b>Cash above (+) or below (-) requirements.....</b>	<b>-12.0</b>	<b>-45.0</b>	<b>-5.8</b>	<b>+45.8</b>	<b>+17.0</b>	<b>-----</b>

TABLE 2.—Stock fund cash requirements and availability, fiscal year 1965

[In millions of dollars]

	Stock fund					
	Army	Navy	Marine Corps	Air Force	Defense	Total
<b>Cash requirements:</b>						
Undelivered war reserves.....	25.0	10.0	5.0	-----	25.0	65.0
Undelivered initial provisioning.....	60.0	12.0	6.0	-----	-----	78.0
Accounts payable.....	100.0	45.0	15.0	120.0	75.0	355.0
Provision for variation.....	60.0	37.0	4.0	40.0	50.0	191.0
<b>Total cash requirement.....</b>	<b>245.0</b>	<b>104.0</b>	<b>30.0</b>	<b>160.0</b>	<b>150.0</b>	<b>689.0</b>
<b>Cash availability:</b>						
Cash balance, July 1, 1964.....	241.0	62.0	31.2	205.8	167.0	707.0
<b>Cash transactions, fiscal year 1964:</b>						
Collections (+).....	2,108.3	1,252.3	131.1	1,355.9	1,771.0	6,618.6
Expenditures (-).....	2,064.5	1,192.3	120.1	1,351.7	1,621.0	6,349.6
Net expenditures (+ or -).....	-43.8	-60.0	-11.0	-4.2	-150.0	-269.0
Proposed transfers (-).....	25.0	-----	-----	35.0	140.0	200.0
Net increase (+).....	18.8	60.0	11.0	-----	10.0	99.8
Net decrease (-).....	-----	-----	-----	30.8	-----	30.8
<b>Cash balance, June 30, 1965.....</b>	<b>259.8</b>	<b>122.0</b>	<b>42.2</b>	<b>175.0</b>	<b>177.0</b>	<b>776.0</b>
<b>Cash above (+) or below (-) requirements.....</b>	<b>+14.8</b>	<b>+18.0</b>	<b>+12.2</b>	<b>+15.0</b>	<b>+27.0</b>	<b>+87.0</b>

## INDUSTRIAL FUND CASH REQUIREMENTS AND AVAILABILITY

It is the policy of the Secretary of Defense to operate the industrial funds of the Department with minimum cash balances consistent with the execution of approved programs, and legal requirements under the provisions of section 3679, Revised Statutes (antideficiency law).

The current and projected cash balances of each industrial fund are closely analyzed during the development of each year's budget to determine if any cash above requirements is available or will be generated as a result of operations of the fund. Cash that is not required to meet program and other valid needs

of the industrial funds is recommended for transfer to other defense appropriations to offset NOA requirements of the budget year.

#### CASH REQUIREMENTS

Industrial fund cash requirements for each fiscal year are directly related to approved program requirements and are established through the determination of amounts needed to cover three principal purposes:

(a) *Accounts payable and accrued expenses.*—Under provisions of section 3679, Revised Statutes the amount of cash in Department of Defense industrial funds must at least equal the current accounts payable and accrued expenses. Cash must therefore be programed to meet this requirement in the following amounts:

	<i>Millions</i>
Fiscal year 1964.....	\$252. 8
Fiscal year 1965.....	255. 8

(b) *Minimum operating cash requirement.*—This requirement covers the need for a small cash balance above the computed operating requirements to accommodate unpredictable program variations. Since estimates of end-year cash balances must be made 6 to 18 months before the end of the current year and budget year, respectively, it is inevitable that changes will occur. These must be provided for if approved programs are to be accomplished. It has been estimated that an adequate provision for variation in collections and expenditure estimates is 15 percent of accounts payable and accounts receivable (excluding receivables in MATS and MSTs). This requirement totals:

	<i>Millions</i>
Fiscal year 1964.....	\$43. 1
Fiscal year 1965.....	43. 7

(c) *Proposed industrial fund extensions.*—At the present time the Department of the Army is actively engaged in a study of the use of the industrial fund in all of its industrial-type and commercial-type installations and activities. Specifically, this includes possible application to 33 depots including depot maintenance shops and other Army activities of an industrial-type or commercial-type. Cash in the amount of \$37 million has been reserved to provide necessary working capital balance for those installations and activities that the study indicates should properly be operated under an industrial fund.

The total cash requirement for industrial funds at the end of fiscal year 1964 and fiscal year 1965 is:

	<i>Millions</i>
Fiscal year 1964.....	\$332. 9
Fiscal year 1965.....	336. 5

#### CASH AVAILABILITY

Cash available to meet computed requirements is composed of the net working fund cash balance at the beginning of each fiscal year, adjusted for estimated net expenditures and transfers to military personnel appropriations for the fiscal year. This balance is compared with the total cash requirements to determine the availability of cash for transfer to reduce NOA requirements.

The cash balance considered available to meet computed requirements excludes prepayments from customers for work ordered but not performed since this cash is available only for the accomplishment of orders placed with the funds and must be held in escrow for that purpose.

The net cash estimated to be available in industrial funds to meet computed requirements for fiscal years 1964 and 1965 is:

	<i>(Millions)</i>
Fiscal year 1964.....	\$341. 6
Fiscal year 1965.....	343. 9

#### SUMMARY

The comparison of estimated cash requirements and availability balances indicates a cash availability beyond requirements at the end of fiscal year 1965 of \$7.4 million. Since this represents a nominal amount in contrast to the total cash requirements and availability, no transfers have been recommended for fiscal year 1965. The details of the cash requirements and availability by industrial fund are shown on tables 3 and 4.

## CURRENT STATUS

The next working fund cash balance at December 31, 1963, totaled \$421.3 million and has not been reduced for the \$150 million programed for transfer in fiscal year 1964. Therefore, the midyear cash balance is \$271.3 million as contrasted with the fiscal year 1964 yearend objective of \$341.6 million. These amounts exclude the customer prepayment liability for work ordered but not performed.

TABLE 3.—*Industrial fund cash requirements and availability, fiscal year 1964*  
(In millions of dollars)

	Industrial fund				
	Army	Navy	Air Force	Defense	Total
<b>Cash requirements:</b>					
Accounts payable and accrued expenses.....	53.7	131.4	67.3	0.4	252.8
Provisions for variation.....	11.2	21.5	10.3	.1	43.1
Planned extensions.....	37.0				37.0
<b>Total cash requirement.....</b>	<b>101.9</b>	<b>152.9</b>	<b>77.6</b>	<b>.5</b>	<b>332.9</b>
<b>Cash availability:</b>					
Cash balance, July 1, 1963.....	467.2	925.8	77.3	4.0	1,474.3
Less prepayments from customers.....	-378.5	-693.2		-2.3	1,074.0
Net available cash.....	88.7	232.6	77.3	1.7	400.3
Net expenditure, fiscal year 1964.....	72.9	9.7	7.4	1.3	91.3
Transfers, fiscal year 1964 budget.....	-50.0	-90.0	-10.0		-150.0
<b>Net working fund cash balance, June 30, 1964.....</b>	<b>111.6</b>	<b>152.3</b>	<b>74.7</b>	<b>3.0</b>	<b>341.6</b>
Cash above (+) or below (-) requirements.....	+9.7	-.6	-2.9	+2.5	+8.7

TABLE 4.—*Industrial fund cash requirements and availability, fiscal year 1965*  
(In millions of dollars)

	Industrial fund				
	Army	Navy	Air Force	Defense	Total
<b>Cash requirements:</b>					
Accounts payable and accrued expenses.....	54.9	133.7	66.8	.4	255.8
Provision for variation.....	11.7	21.7	10.2	.1	43.7
Planned extensions.....	37.0				37.0
<b>Total cash requirement.....</b>	<b>103.6</b>	<b>155.4</b>	<b>77.0</b>	<b>.5</b>	<b>336.5</b>
<b>Cash availability:</b>					
Cash balance July 1, 1964.....	490.1	845.5	74.7	5.3	1,415.6
Less prepayments from customers.....	-329.5	-627.9		-2.3	959.7
Net available cash.....	160.6	217.6	74.7	3.0	455.9
Net expenditure, fiscal year 1965.....	-49.0	-63.8	.8		-112.0
Transfers, fiscal year 1965 budget.....					
<b>Net working fund cash balance, June 30, 1965.....</b>	<b>111.6</b>	<b>153.8</b>	<b>75.5</b>	<b>3.0</b>	<b>343.9</b>
Cash above (+) or below (-) requirements.....	+8.0	-1.6	-1.5	+2.5	+7.4



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